BY CLIVE WOLMAN AND FIONA THOMPSON IN LONDON

EUROPE'S BUSINESS NEWSPAPER

World news

40,000 S. African Carbide miners go back in on strike

strikes began late on Sunday night help of a \$252m gain from disposals. at the Documentain, Deelkrani and Page 23 Kloof mines just hours before the all-black National Union of Mine-dustrial average closed up 9.56 at workers was expected to accept improved pay offers by four other

The NUM said yesterday police arrested eight union officials. Mine security forces shot strikers with rubber bullets and used tear gas to disperse groups of workers. Page 4

Goods train bombed

The Dublin-Belfast rail link was blocked after a bomb derailed The outlawed Irish Republican Army, fighting to end British rule in Northern Ireland, claimed respon-

Gulf security talks

Foreign ministers from the Arab strengt insisters from the Arab states in the Gulf region discussed ways of strengthening military co-operation to deal with the dangers of a spillower of the Iran-Iraq war.

Soviet takeover

Soviet troops took control of security in the Afghan capital of Kabul after an explosion in the commercial section of the Soviet embassy.

Contra training snub

The Central American countries of El Salvador, Honduras and Costa Rica objected to the US using their territory to frain Niceraguan Con-tra rebels trying to overthrow the leftist Sandmista Government.

Soviet divers killed

Two Soviet divers were killed benefing for Building Jean, the liner Admiral Bakhanov which sank in the Black Sea with the loss of 398 people, Pravda said.

Arms control pact

est Germany and France ag at the start of a two-day summit in Frankfurt to strive for a common. stance on arms control issues fol-lowing the US-Soviet meeting in Iceland.

Japan islands move

The Japanese Government demanded that the Soviet Union return seven occupied islands north of Hokkando as a precondition for the proposed visit of Soviet leader Mikhail Gorbachev, Page 22.

Election aid charge

West Germany's opposition Social Democratic Party alleged big Ger-man industrial and banking organisations were giving unfair support to the Christian Democratical Government in their advertising campaigns leading up to the January election. Page 2

Swedish strikes

Swedish public-sector unions were due to begin a fresh wave of strikes to back pay claims. The action is aimed at hitting the country's exports, imports and transport of goods, Page 3

Maputo buriai

Mozambique buried 17 officials killed with President Samora Machel in an aircraft crash in South Africa eight days ago. Page 4

Guerrilia jalied

An Israeli military court jailed for life the blind leader of a Palestinian guerrilla band found guilty of kill-ing British tourist Paul Appleby and an Israeli businesswoman in Arab east Jerusalem.

Aid for West Bank

A new deal to provide EEC aid to Palestinians living in the Israeli-oc-cupied West Bank and Goza strip was approved by EEC foreign Min-

Business summary

Union profit

Atmost 40,000 black miners were underwent restructuring area strike in support of wage demands underwent restructuring area at three gold mines managed by Bhopal gas disaster, returned to the black in the third quarter with the case of South Africa. The

LONDON: Equities moved forwar in moderate trading after initial confusion in the market on the first day of Big Bang, or deregulation. The FT Ordinary index climbed 5.0 to 1,256.6. Page 46

TOKYO: Extremely thin trading left the Nikkei average 6 points lower at 16,157.80. Page 46

DOLLAR closed in New York at DM 2.0435, SFr 1,6905, FFr 6,6745 and Y160.50. It advanced in London to (FFr 6.6425), to SFr 1.6925 (SFr 1.6730) but fell to Y160.70 (Y161.25). On Bank of England figures the dol-lar's index was unchanged at 111.5. Page 39

STERLING closed in New York at \$1.4085. It lost 60 points in London to close at \$1.4070. It also fell to Y226 (Y228) but rose to DM 2.88 (DM 2.87); FFr 9.41 (FFr 9.38509) and SFr 2.2825 (SFr 2.3650). The d's exchange rate index fell 0.1 to 67.8. Page 39



*Signi) continued the full in prices suffered at the end of last week, closing \$1.25 per troy cames lower in Landon at \$400.75. However, trading was steady in a narrow range for most of the day. In New ment was \$410.30. Page 38"

EEC member states gave then ing to the deal agreed last Angust between the European Com-mission and US trade negotiators on a tit-for-tat trade war over pasta and citrus products. Page 5

BRITAIN last night prepared to make a fresh protest to France over trade in lamb after a French cus toms move to step up inspections of UK lamb shipments. Page 38

BOEING, the US aerospace group has boosted profits for the third quarter on stronger sales and high-er interest income. The group earned \$157m, or \$1.01 a share, compared with \$132m, or 85 cents, in the same period last year.

DAIMLER-BENZ, the big West German industrial group best known for its range of high-quality cars, confirmed that sales for 1986

would rise strongly. Page 23 HARGREAVES, the UK fuel processing and transport company, ended resistance to Coalite's £38m (\$140m) bid after discovering that its Belgian coal operation had over-stated the value of stocks. Page 30

MOULINEX, French kitchen equipment manufacturer, reported sharply higher loss of FFr 192 km (\$30m) in the first half against a loss of FFr 17.1m in the same peri-

DOME PETROLEUM, troubled Canadian energy group, said 70 per cent of holders of European debt is-

sues had agreed to suspend pay-ments. Page 26 STEYR-DAIMLER-PUCH, the Austrian vehicles and weapons group, expects this year's losses to exceed the 1985 deficit of Sch 618m (\$44m).

SOME prices in the FT share information service have not been up-dated for this edition because of problems with the Stock Exchange clined to name the company, indus-try sources in the US indentified from Atlantic Richfield in 1981. The

THE FIRST critical hours of yester-day's Big Bang, the most radical set sage in red on their screens saying that the Stock Exchange Automated Quotations system (Seaq) was

The cause of the collapse, according to the stock exchange, was the unexpectedly large volume of requests to see the pages of its Topic and still going strong, the usual sea creen service, which shows all the prices of securities recorded by size. At Bill Bentley's restaurant seaq. The Topic system, which has been operating for six years, can Street both minor hmohime land-handle a maximum of 12,000 remarks in the City the mood was dis-

EEC resists

British calls

against Syria

BRITAIN failed last night to per-stdency, to rush the rest of the

snade its EEC partners to agree on a package of measures against Syria in the wake of the British deci-

sion to sever diplomatic relations Ministers from France, Italy and with Damascus.

in the rest of the Community.

The deal was described by Sir
Geoffrey Howe, the EEC chairman and the British Foreign Secretary, capitals, but one national spokes-man said this was "to inform them, and the secretary of the reach arm declarate".

for reflection.

BY QUENTIN PEEL IN LUXEMBOURG

. The only action agreed by 11 of

the 12 member states - excluding

Greece - was to agree not to accredit any of the Syrian diplomats expelled from London in the capitals

Sir Geoffrey set out a range of ac-

Sup of the little attempted blow-

an the size of Syrian embassies in the EEC and tighter scently for Syrian Arab Airlines, according to officials in the wings of the meet-

The discussions were held in

Sir Geoffrey wanted "to give the sir Geomey wants a give on ministers every chance to come up with a reaction which will be cred-ble in the European Community and in the wider world, according

There was none the less wide-

spread resentment at what was

seen as a British effort, from the

privileged position of the EEC pre-

BY LUCY KELLAWAY IN LONDON

highly restricted session - only the ministers were present for most of

sive proof of Syria's in-

tions he wanted from the Communi-ty to back the British action based

If was also a trying day for the profusion of champagne bars and chop bouses, purveyors of that great institution, the City of London

A magnum's throw from the stock exchange, a distraught champagne bar manager, Mr Antonio di Popolo, complained that Big Bang was doing him no good at all. "Normelly we get 200 to 300 cus-tomers in here at hmch. It's 3pm

At Simpson's Tavern grill room on Corn Hill, established in 1757

member states into actions they

The absence of the three Foreign

sented by their departies, also made it unlikely that the plan would win outlight support from those key member states, without a chance

Predictably, the most hostile reaction came, from Mr Theodoros Pangalos, the Greek Minister for

Encopen, Affairs, who wanted a condemnation of terrorism but hands off Syria.

with Washington last April at the time of the US air raid against Lib-

He said that France must avoid

Lebanese truce, Page 4

LONHBO, the UK publishing to the vendor as Atlantic Richfield, purchase was secured in a private

Mr Rowland and Mr Anderson

Lonrho in oil joint venture

mining multinational, yesterday anmounced details of a joint venture gramme of asset sales and which
with Mr Robert Anderson, former
chairman of Aflantic Richfield, into
interests to Amoco. The implied

chairman of Atlantic Richfield, into oil production in the US.

The new company has agreed to buy \$180m US oil and gas assets, making it one of the most against cautiplayers to emerge since the US and who will become joint president independent oil industry went into recession two years ago.

The move was Lourho's first inportant step into the oil industry. old men'of the US oil industry and the company said yesterday it be largest oil field in North Ameritange of production in the US.

The new company will be owned equally by Lourho and Mr Anderson who will become joint president with Mr Tiny Rowland, chief executive of Lourho. However, Mr Anderson, regarded as one of the great who presided over the discovery by lieved that the oil cycle had hit the largest oil field in North Ameritangement.

bottom and that the joint venture the largest oil field in North Amerimight form the basis for further expension in the oil industry.

The oil properties, which are in the mid-continent and Bocky Mountine US oil and gas industry had being more largest in a single deal of the US oil and gas industry had being more largest in a single deal of the US oil and gas industry had being more largest in a single deal of the US oil and gas industry had being more largest oil field in North American, will be solely responsible for running the company. Mr Anderson set years and the US oil and gas industry had being more largest oil field in North American, will be solely responsible for running the company.

nies, Lonrho said. Although it de- have been associated since Lonhro

not to reach any decision."

The boys in the City have gone through more than this before,"

The system was opened at 7.30 am and ran smoothly until 8.25, when there was an upsurge in re-quests from investors and dealers who were settling down at their

The meters in the stock exchange's computer rooms which re-cord the usage of the system rose rapidly minute by minute until at 8.29 the figure of 100 per cent of ca-pacity appeared. The bells rang and the system failed.

tion services. He said that curlosity was the main reason so many people had tried to call up the Topic pages on their screens. According to Sir Nicholas Goodison, exchange chairman: "If you put a new monkey or dodo in the zoo, people will

queue up to see it." The system was restored by 9.40 and by 10 am, most of the marketmakers had managed to input their prices and partial order was retored. However, drastic action had to be taken by the exchange to pre-vent the system collapsing again under the weight of another wave

Many users had their access to Seaq information severely restrict-ed, no price quotations were made available from Nasdaq, the US electronic stock market, and one of the

"We were hit by a tidal wave of requests," said Mr George Hayter, director of the exchange's informa-Another difficulty, was that more than a third of the purchases and sales of shares were not reported to the exchange in the five minutes allowed. Several of the market-makers were suffering from "creaky of-fice procedures," according to ex-

change officials.

NMW, the largest securities processing bureaus, was plagued by a power failure which caused difficulties for the settlement of deals.

The technical hitches led to a greater than expected volume of transactions being carried out in transactions being carried out in the traditional, pre-Big Bang way, through a face-to-face deal on the stock exchange floor, recorded with the help of pens and chalk. Smith

Continued on Page 22 Details and analysis, Page 14; Lex, Page 22

Retirement savings incentives launched in France

By Paul Betts in Paris

MR Edouard Balladur, the French Finance and Economy Minister, yesterday unveiled proposals for a new form of tax-free retirement ac-count aimed at stimulating domestic savings and easing the longer-term burdens of the country's social security and pension system.

The new retirement accorknown as Plan d'Epargne Retraite and modelled on the US system of individual Retirement Accounts will offer savers fiscal incentives to invest in schemes run by French banks, insurance companies and savings banks. The French Government hopes to

launch the new savings accounts by the middle of next year and is tar-geting 2.5m French individuals as potential participants.

Under the French system, indi-viduals will be able to deduct up to FFr 6,000 (\$900) a year from their taxable income while couples will be able to deduct FFr 12,000 if they invest in a new retirement account. Income and capital gains from re-tirement accounts will be exempt of

To encourage savers to continue investing in these new accounts and to encourage them to work beyond the French minimum retirement age of 60, the Government is offering a 5 per cent boms if the account is kept until the age of 63 and a 10 per cent bonus if it is held until 65. Penalties will be imposed for early withdrawal of funds from the new

Although the new fiscal incentives will cost the Government about FFr 5hn a year in budgetary osses, the new accounts are de signed to help ease the expected longer-term strains on the French social security system caused by the country's minimum retirement age of 60.

Coupled with the new retirement account. Mr Balladur also announted an increase in the income tax deductions individuals can make on revenues from French shares and bonds to stimulate further the French financial markets and encourage share ownership by small investors.

deduct from their taxable income annual revenues totalling FFr 8.000 from French shares and bonds in stead of FFr 5,000 under the previous system. For couples, the ceiling has been raised from FFr 10,000 to FFr 16,000 a year.

The Government is also offering discounts of 5 per cent on the price of shares to employees of the state groups to be privatised to encou-

Big Bang crash as systems overload

of reforms in the 200-year history of the London Stock Exchange, ended in embarrassment when the centrepiece of the new structure, the com-puterised price and dealing infor-mation system, went out of action. Investors and market-makers maious to transact their first deals of the week were greeted by a mes-

suspended.

and we've had 30."

said Mr Giovanni Galasso, the manager with admirable British phlegm. "My gut feeling is that things will be back to normal soon." This was not obvious yesterday morning when London's financial revolution was launched.

Brussels agrees poor region funds

By Will Dawkins in Brussels

THE EEC has set aside Ecn 1.18bn (\$1.21bn) to spend over the next five years on improving telecommunica-tions and exploiting alternative en-ergy in the Community's poorest re-

European foreign ministers meeting in Luxembourg yesterday agreed the funding for the two pro jects, which will benefit both Nor-thern Ireland and the Irish Republic, Greece, Portugal, Cossica, parts of Spain, the Mezzogiorno re-gion of Italy, and French overseas

The largest project, known as Star, has been allotted Ecu 780m to boost the development of advanced telecommunications in areas that would otherwise be left out of such

The Eca 400m balance gues to the an called Valoren programme to make use of energy sources of lim-led general importance but which nevertheless have a strong local im-

Heathrone sinport land April;
Heathrone sinport land April;
His proposeds included the convertishes Chifse; the French conservation of EEC aid, a bun on arms sales, no official visits, mutual agreement not to accredit the diplomats expelled from Britain, limits show firm support and solidarity all Development Fund, of which with Britain over relations with they will ingether represent less Syria.

Former President Valery Giscard The fund will contribute 55 per cent d'Estaing said that the Government of the cost of promise show its solidarity with Britten programme.

Italy is the bi

Italy is the biggest beneficiary, with an allotment of Ecu 375m for the two projects, followed by Spain with Ecu 315m. Northern Ireland and France come at the bottom of the list with Ecu 40m each.

seeking to put his colleagues under

He said, that France must avoid pressure to match their words with making any move which would be interpreted as a sign of French sup--. These are the first schemes to be port towards Syria. This clearly in-chided the sale of arms, he added. passed by a new qualified majority voting system for regional fund ap-plications. Formerly, such projects There have been widespread re-purts in France that Paris was on the point of finalising a FFr 2bn arms deal with Syria, but these required manimous support from all 12 member states. On this occa-sion, West Germany, which gets nothing from the proposals, and have been denied by Mr Denis Ban-down, the Prime Minister's spokes-

Continued on Page 22

deal between the two men and after

it was concluded Mr Anderson stay-

The aim of the new group will be

to buy producing reserves in the US that are already capable of generating cash flow. Lourho said that it did not plan to get involved in risky wildcat drilling.

Longho's only other oil interest is

a stake in an exploration project in

the Bahamas operated by Shell. In

this it has also been involved with Atlantic Richfield, which is one of

Although the recession in the US oil industry has been more severe than in the UK, sales of assets on a

large scale have so far been rare.

UK refinery redundancies,

Page 18; US oil group results,

the other partners in the ventu

Telefonica set to pull out of deal with CGE-ITT

BY TOM BURNS IN MADRID

TELEFONICA, the Spanish telession was conditional on genuine phone monopoly, said last night participation in the programme by that it was likely to withdraw its aptime. Spanish telecommunications plication for a 10 per cent stake in the joint telecomm ture being put together by Com-pagnic Générale d'Electricité of France and ITT of the US.

The Spanish company said that talks with CGE and ITT had stalled and were close to breaking point. Mr Roberto Velazquez, a Telef executive, said there was "considerable pessimism" about the outcome. Telefonica was likely to pull out unless there was a change in the French company's attitude to the

roposed deal. proposed deal.

The chief stumbling block has proved to be the intere of Standard Electrics, the Spanish subsidiary of ITT in which Telefonica has a 20 per cent stake, and of Marconi, its

sister company.

Both companies are undergoing costly financial reconstruction operations, for which CGB has warned that the new Franco-American joint are will not shoulder the cost. CGE, which will take the leading

so made clear to Telefonica that neither Standard Electrica nor Marcomi will play any significant part in the future production strategy of the CGE-IIT group.

When CGE and III unveiled their ambitious plans to form a worldwide, European-controlled tel-

communications group last July, Telefonica expressed interest in joining it as a minority partner leading Spenish investment in the project worth some \$300m. However, Mr Velazquez said this deci-

sector. A CGE-Telefonica working group was set up last month to examine details of the proposed Spanish contribution. After the working group's most recent meeting in Madrid last Friday, Mr Velazquez said there was "virtually no hope" for a suc-

cessful outcome. A second working group, which has been meeting in Paris to plan the overall organisational structure of the Franco-American company, including Telefonica's place in it,

has also made little more headway. Telefonica executives have previ ously expressed unhappiness about the lack of "Europeanism" in the CGE-ITT venture. Mr Javier Mon-

zon de Cacres, the Spanish compa-ny's deputy general manager, said last month that, if Societé Générale de Belgique (with a proposed 10 per cent stake) were the only other European participant, Telefonica would reconsider its position. A further problem in the Sounish

as both telephone utility and tele-communications manufacturer in its bome market. The sleader remaining hope for

Spanish participation appears to rest with the forthcoming visit to rest with the forthcoming visit to Madrid next month of Mr Jacques Chirac, the French Prime Minister. The future of the Prime Minister. The future of the European telecmications industry is expected to figure on the agenda of his groups to be privatised to encoutalks with Mr Felipe Gonzalez, the Spanish Prime Minister companies.

EAST.

It certainly makes sense to fly Air France.

18 key business centres throughout the Middle East are yours via the ease and efficiency of Charles de Gaulle, Terminal 2.

From London, from Manchester, from Birmingham and from Aberdeen and Edinburgh. Also from a host of other regional airports.

You can fly spacious, comfortable Airbus or 747 and lugariate in Air France Première Class, with the ultimate in French wine and

Just one call books flight, hire car and splendid Meridien Hotel room.

Air France to the Middle East. The sensible choice.

AIR FRANCE

Page 23

tains, were bought in a single deal 'never been better.

Belgium: language row may Editorial comment: UK par-Malaysia: reining in the big Philippines: long hard eco-

Companies 23, 24, 27 America 6 Fins Companies 23 Gold Overseas 4 Intern, Capital Markets

ors 48

from one of the big US oil compa-

spenders 4 nomic road ahead 20 Brazil: cooling a row over Cost of capital: the key to technology information ... 5 competitiveness 21 US: yankees fight for the Lex: Daimler-Benz; UK equisouthern vote 6 ties; Barker and Dobson . 22 Technology: Indian summer Management: an upset for



UNITED in a quest for peece, Pope John Paul II and leeders of the world'e 11 major non-Christian religions from African animists to Japanese Shintoists—began nine hours of fasting and

nine hours of fasting and prayer at Assisi, Italy, yesterday, AP reports.
Leaders from around the world have issued statements praising the effort and several warring parties and insurgent groups have accepted the Pope's appeal to observe a 24-hour truce.
In one incident, a Fran-In one incident, a Fran-ciscan friar (above) was led

away still bolding two doves be had tried to present to the Pope ontside the basilica. Pope ontside the basilica.

The Pope said he chose
Assist for the day of prayer
because St Francis, who lived
and died in the hill town, is
"known and revered by so
many throughout the world as
a symbol of peace and
brotherhood."

Thilling authorities deployed

brotherhood."

Italian authorities deployed some 1,500 police to protect the participants and maintain order in the town, bustling with 24,000 residents and 20,000 pilgrims, tourists and journalists.

Italian deputies unite in row over pay rise

BY JOHN WYLES IN ROME

ANGRY, HURT, feeling themselves misunderstood, a
majority of the 630 members satisfied by defensive claims
of the Lower House of the that Italian parliamentarians Italian parliament bave united are not over-paid by Conacross party lines in a bitter tinental European standards.

What has most stung the politicians is the general conclusion that the pay rise is

across party lines in a bitter row with the Italian press and public opinion.

"We should put a stop to these journalists. They should leave the country. They write what they like, but the time will come when we shall fight come when we shall fight thereaft parliamentarians have buried of the Italian press over the last few days.

Only a minority, mostly on the independent left, have seemed et all sensitive to a genuine public outery about their decision to pay themselves an extra L500,000 (£180) a month and to allow all 630 to hire a secretary of their choice —at a net salary of 12,000 a.

selves an extra L500,000 (£190) committee quietly waved a month and to allow all 630 to hire a secretary of their choice —at a net salary of L2,000 a .

To many Italians, this seems an outrageous example of nest-lining by a privileged group whose total salary and benefits are comfortably in excess of committee quietly waved through the pay rise and the horough that pay rise and the colleagues have quickly rallied round with a letter of support praising ber courage in the lining by a privileged group whose total salary and benefits are comfortably in excess of

European electronics market 'to grow 7.5%?

By David Thomas

THE WESTERN European electronics market will grow by 7.5 per cent next year, but growth after that will be slower mainly because of a slow down

These are some of the main results of the latest survey of the European electronics market carried out each year by Benn Electronics Publica-

The survey expects the tetal market for electronic equipment and components to reach \$113bn (£78bn) next yeer campered with \$105bn this year and \$97bn in 1985, all at constant 1985 prices.

The driving force continues to be saies of deta processing equipment. However, as companies demands for products such as computer systems, peripherals and word processors become satisfied, growth in salea of data processing equipment will slow to last equipment will slow to lass than 10 per cent a year from 1988, compared with more than 13 between 1985 and 1987.

This will cut overall growth in the Europeen electronics marker to about 6 per cent a year after 1987, reflecting a slow down which has already happened in the US.

Sales of consumer electronic equipment are expected to grow by 2.9 per cent this year com-pared with a drop of more than 2.5 per cent last year.

This was due to higher consumer spending, particularly in West Germany, and a stabilisation of prices for goods such as video recorders and colour TVs. The survey forecasts 1 per cent a year growth in conper cent a year growth in con-sumer electronics to the end of tha decade.

Outputs of consumer electronic equipment are also expected to grow by 4.4 per cent a year between 1985 and 1987, partly because of the influx of Japanese companies.

that the trada gap should continue to close.

The Yearbook of West Euro-pean Electronics, 1987, Benn Electronics Publications, PO Box 28, Laton, LU20BD, price

Belgian language row may be far from over

Many in Brussels might echo that sentiment at the moment, for despite the uneasy party truce called last week, most observers sense that the bitter and politically-damaging language dispute linked to the Happart name is far from over.

Mr Wilfried Martens, the Belgian Prime Minister, and Mr Joseph Michel, his Interior Minister, successfully appealed for a "period of redection" in the Chamber of Representatives 10 days ago and have bought themselves at least a few days respite, and possibly even a few months.

Sconar or later, bowever, the implications of what is oo the surface a highly parochial squabble will come back to threaten the fragila harmony of the country's Flemish and French - speaking Christian Democrat ruling coalition.

In an effort to placate the French-speaking population the

"THERE's Jose Happart," someone said after a crucial Parliamentary session pointing et an individual who on closer inspection turned out to be the much-publicised Belgian mayor's twin brother, Jean-mayor's twin brother, Jean-mayor the self-conscious embarrassment of the Belgian press and the ridicule of modicule of media toverage of the dispute appears to be out of all proportion to the faintly ridiculous problem of a Franco-phone mayor who refuses to brush up his Flemish. But despite the self-conscious embarrassment of the Belgian press and the ridicule of modicule of international media, the sistence of the international media to the saintly ridiculous problem of a Franco-phone mayor who refuses to brush up his Flemish. But despite the self-conscious embarrassment of the Belgian of the international media two phone mayor who refuses to brush up his Flemish. But despite the self-conscious embarrassment of the Belgian of the international media, the sistence of the mayor who refuses to brush up his Flemish. But despite the self-conscious embarrassment of the Belgian press and the ridiculous problem of a Franco-phone mayor who refuses to brush up his Flemish. But despite the self-conscious embarrassment of the Belgian press and the ridiculous problem of a Franco-phone mayor who refuses to brush up his Flemish. But despite the self-conscious embarrassment of the Belgian press and the ridiculous problem of a Franco-phone mayor who refuses to brush up his Flemish. But despite the self-

Mr Happart is mayor of Les Fourons in the Flemish province of Limburg. He was sacked from his post after a ruling of the Council of State on the grounds that he bas consistently refused to learn the efficial local language, Flemish. In common with many other local residents, two-thirds of whom apparently prefer to speak French, he has long believed that the area should naver have been part of Limburg and should be returned to the French-speaking province of Liege immediately.

Boycotting tha language, which he was required under the constitution to speak in his official capacity, was his way of Mr Happart is mayor of Les

official capacity, was his way of making the point.

Mr Jose Happart watches the debate in the Belgian partis-ment arising from his refusal to loann Flemish

A parochial squabble has highlighted deep political tensions, Tim Dickson reports

Council of State judgment was quickly referred to the Cour de Cassation (Supreme Court). But the most important twist in the story came when the Aldermen has been sacked as Mayor of Les Fourons resigned their posts and elected Mr Happort as First Alderman in the subsequent poll—a move deliberately calculated to reinstate cour de Cassation could still

Happart decision. The events of last week have not solved the fundamental disagreement over who should be mayor of Les Fourons.

Mr Michel assored Parliament Mr Michel assored Parliament that there would be no political interference in the matter, that any complaints would be examined and dealt with "normally," and thet tha Governor of Limburg province "must do his duty as laid down by the law."

Once the Governor bas been formally notified of the alder-man elections, be has 40 days in which to respond to a Fiemish complaint and cither auspend or annul the appointment.

If, as is widely anticipated, he chooses to dismiss Mr Happart, be has several days in which to notify him of the decision. Mr Happart then has 30 days in which to lodge an appeal with Mr Michel, and the ball will then be back in the Government's court.

By most reckonings the Government therefore has perhaps a couple of months in which to find a solution. At the moment, however, nobody in Brussels seems to be putting forward any new ideas.

SPD sparks advertising storm

The allegations were dismissed yesterday by spokesmen for the banks and electricity utilities, which have both been mounting large press campaigns. Government officials said the SPD attack was a ploy to try to explain the party's poor ahowing in the polis.

A evokesment for the West The survey says that the Western European trade gap in electronics fell to \$10.7bm last year, down from the record \$11.1bm in 1984, and expects

A spokesman for the Federa-tion of Electricity Utilities in ing in the polls.

A spokeman for the West sether with Kreftwerk Union, German Banking Association, the German power reactor company have latest large newspaper advertisements feature a plea big campaign in favour of for monetary stability so that D-marks do not turn into allegations were relectioneer-

WEST GERMANY'S Opposition bad been advertising regularly has sparked off controversy by since 1970 and its latest cambailing of that big German had been advertising regularly alleging that big German paign bad nothing to do with including and banking organisations are giving the Christian Democrat (CDU)-led government undair support in advertising all newspaper advertising.

The association spent e total of around DM 5-DM 10m a year favour of a gradual phasing ent of nuclear power over the next latest campaign, pointed out that Mr Helmut price rises of 6.3 per cent in Schmidt, the former SPD chancellor, bad called on industry and banks and electricity utilities, which have both been mounting large press campaigns. Government officials said the SPD stack was a ploy to try to explain the party's poor above. favour of a gradual phasing ent of nuclear power over the next 10 years. But the spokesman painted out that Mr Helman Schmidt, the former SPD Chancellor, bad called on industry in general to make a greater effort to explain its policies through public relations work. Although banks and industry deny that their campaigns have any direct relations to the election campaign, government officials do not try to pretend that the sympathies of big business are not firmly on the side of the CDU-led coalition government.

ment,
One government official commented yesterday: "The banks
want the sort of economic
policy (based on price stability)
that many others are siming for
too... therefore they are making a corresponding sovertising
company."

Declaration by dissidents 'over-estimated in West'

BY LESLIE COLITT IN BUDAPEST

A MEMBER of the Hungarian a new dimension in East Europposition which drew up the pean dissident activities.

opposition which drew up the first joint declaration by East European dissidents in four countries said the significance of the document was "overestimated" in the West.

estimated" in the West.
Mr Ferenc Koeszez, editor of
an underground publication in
Budapest, said opponents of the
East European governments
wanted to strengthen their ties.
But there were signs the state
security forces would not allow
a repetition of their recent concerted action. The Joint declaration was issued last weekend by more than 100 dissidents in Hungary, Pokind, Czechoslovakla and East

Germany for the 30th anniver-sary last Thursday of the out-break of the Hungarian uprising They pledged to co-operate to achieve the independence, pluralist democracy and nentrality of their countries.

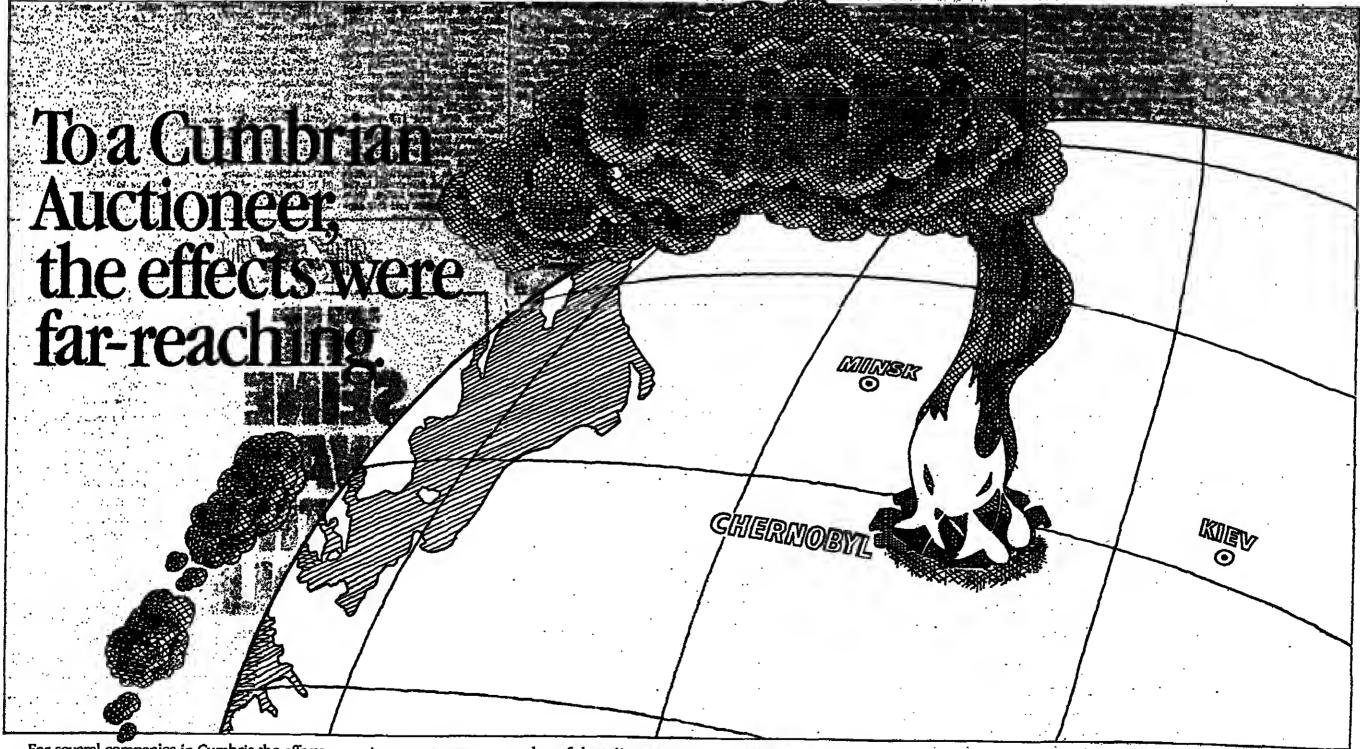
The declaration was haded by some Westerners as opening

PINANCIAL TIMES Pinancial Times
Published by The Financial Times
(Europe) Ltd., Frankfort Branch,
represented by E. Hago, Frankfurt
Main, and, as members of the
Board of Directors, F. Barlow,
R.A.F. McClean, C.T.S. Demer, M.C.
Gorman, D.R.P. Palmer, London,
Printer: Frankfurter-SocietätsDrueksrei-GmbH, Frankfurt/Main,
Responsible editor: R.A. Harper, Responsible editor: R.A. Harper, Frankfurt/Main. Guioficitatrases 54, 8000 Frankfurt am Main 1. O The Financial Times 1.14, 1986. The Financial Times Lia, 1965, Financial Times, USPS No. 19046, published daily encept Sun-days and holidays. U.S. subscription rates \$355.00 per annum, Second class postage paid at New York, N.Y. and at additional mulling of-fices. POSTMASTER: send address: changes to FINANCIAL TIMES, 14 East 60th Street, New York, N.Y.

ace to

iner cles

TENN



For several companies in Cumbria the effects of Chernobyl were more than just environmental.

Their unpredictability only serving to underline the importance of insuring against

bad debts. Consider this chain reaction:

Soon after the disaster, fall-out was detected over the North-West.

This led to the Government placing a temporary ban on the slaughtering of lambs.

As a consequence, a number of abattoirs went into liquidation.

Luckily, one creditor had wisely insured with Trade Indemnity, who paid off the outstanding debt.

This meant that the creditor, in this case a local firm of animal auctioneers, was able to continue trading.

Had the company not been covered by credit insurance it would have had to increase its turnover tenfold just to cover the cost of the bad debt.

Or cease trading,

At Trade Indemnity we can't predict where financial problems may originate. But, for a tiny percentage of your turnover, we can safeguard your company against them. Allowing you to look forward to expansion, without looking over your shoulder for trouble.

We've over 65 years behind us and the widest range of policy options available.

For further information contact us direct.



Bonn seeks joint line with Paris on troop cuts

BY DAVID MARSH IN BONN

ducing conventional forces in Europe in the wake of the Reykjavik superpower meeting on nuclear disarmanent.

Speaking on the first day of a two-day meeting between the French and German governments in Frankfurt, Mr Helmut Kobl, the West German Chancellor, also voiced optimism about the chances of building on the Iceland talks to reachancellar disarmanent deal between the US and the Soviet of the Soviet in the forthcoming troop reduction talks in Vienna assumed extra importance in the light of the Iceland summit. The Vienna discussions, due to start at the beginning of November, are part of general East-West negotiations on Security and co-operation talks in Vienna assumed extra importance in the light of the Iceland summit. The Vienna discussions, due to start at the beginning of November, are part of general East-West negotiations on Security and co-operation to the light of the Iceland summit. The Vienna discussions, due to start at the beginning of November, are part of general East-West negotiations on Security and co-operation to the light of the Iceland summit.

West Germany and France needed to co-operation talks in Vienna assumed extra importance in the light of the Iceland summit. The Vienna discussions, due to start at the beginning of November, are part of general East-West negotiations on Security and co-operation to the Vienna talks in Vienna assumed extra importance in the light of the Iceland summit. The Vienna discussions, due to start at the beginning of November, are part of general East-West negotiations on Security and co-operations of Helsinki. a nuclear disarmanent deal between the US and the Soviet

through in reducing inter-mediate-range nuclear missiles through in reducing intermediate-range nuclear missiles in Europe—aithough beld up in Reykjavik by discord over President Reagan's Strategic Defence Initiative research programme—have caused increased concern in Bonn over achieve better harmony in both the Soviet Union's superiority the Soviet Union's superiority countries' professional training conventional forces in schemes.

Mr Kohl also used

Europe.

Speaking at a lunch in Frankfurt in honour of President François Mitterrand Kohl said the US and Soviet ton last week.

WEST GERMANY yesterday Union went further in stepped up efforts to forge a Reykjavik with disarmament joint line with France over re- proposals than ever before. But he said the forthcoming

West Germany and France needed to co-ordinate their positions on the Vienna talks as closely as possible, Mr Kohl

The Frankfurt gathering is

Speaking at a lunch in occasion of separate meetings Frankfurt in honour of with Mr Mitterrand and Mr President François Mitterrand Chirac yesterday to brief the and Mr Jacques Chirac, the French on his talks with French Prime Minister, Mr President Reagan in Washing-

Swedish unions plan to step up strike action

BY SARA WEBB, STOCKHOLM CORRESPONDENT

Last-ditch talks were taking place last night to try to avoid

1

SWEDISH public sector unions workers at the Ringhals nuclear swed last night planning to step np their four-week-long campaign of industrial action with a fresh wave of strikes due to begin today.

Their intention is to hit the country's exports, imports, and transport of goods, and to stop power production at two nuclear reactors.

Last-ditch talks were taking workers at the Ringhals nuclear workers at the Ringhals nuclear workers at the Ringhals nuclear station south of Gothenburg, railway staff on the goods trains, teachers, and post office workers.

Already RTK, the most militant union confederation, has workers out on strike, including nurses, administrative staff, and teachers, another 200,000 members are refusing to workers at the Ringhals nuclear workers at the Ringhals nuclear station south of Gothenburg, railway staff on the goods trains, teachers, and transport of goods, and to stop power production at two nuclear reactions.

members are refusing to work

another 25,000 from working overtime if talks with the state employers' organisation, SAV, failed to come no with a satisfactory settlement.

The industrial action will involve customs officials,

France to pursue nuclear power despite Chernobyl

company said yesterday, AP reports.

Mr Remy Carle, Electricité de France's chief development engineer, said the disaster at the Soviet nuclear installation did not force any changes in the construction or testing of France's controversial plant at Cattenom, near the Borders with West Germany and Luxem-

NUCLEAR power will he France's energy of the future despite the accident last April at Chernobyl, a senior official of France's state-run electricity ready to company said yesterday, AP power network late in November. Mr Carle said.

power network late in Novem-ber, Mr Carle said.

Protests against the plant, while muted in France, have been intense in the neighbour-ing countries, especially since the Chernobyl disaster near

Kley on April 26.

"An accident of the type and size of Chernobyl is impossible in France," Mr Carle said.

Hungary's hard currency deficit up

HUNGARY'S account deficit in hard currency shot up to \$942m (£654m) in the first seven months of the year, belying to boost its net debt by \$2.4bu to \$7.4bu.

fourth quarter rise in exports. Hungary had planned for a \$550m trade surplus this year, after a hard currency surplus of \$800m last year. The large current account deficit, \$350m more than in the

same period last year, meant Hungary has to export 30 per cent of its goods and services to service its debt this year. Mr Baco, however, said the Government had ample breathing-space. Its hard currency reserves, bolstered by fresh Western loans this year,

The Hungarian banker said that the current account deficit could be reduced to \$300m next year, and be brought back into surplus by 1989 at the latest.

He noted that the deterring the surplus by Hungary's tarms of trade

added imports of consumer goods.

The Hungarian Government had the "political" will " to restrict consumption in order to restrict consumption in order to regain equilibrium in the payments balance. Mr Baco said. Import restrictions were reintroduced last April, despite what he noted were the "polite recommendations" of the IMF.

West Germany's current accoun

NOTICE OF REDEMPTION To the Holders of:

TENNECO INTERNATIONAL N.V.

73/4% Guaranteed Debentures Due May 15, 1987

Guaranteed by Tenneco Inc.

NOTICE IS HEREBY GIVEN that, pursuant to the Indenture dated as of May 15, 1977 of Tenneco International N.V. and Tenneco Inc., as Guarantor, and Chemical Bank (the "Trustee"), Tenneco International N.V. has elected to exercise its option to redeem on December 2, 1986 (the "Redemption Date") all of its 7%% Guaranteed Debentures Due May 15, 1987 (the "Debentures") at 100.00% of the principal amount thereof (the "Redemption Price"). Commencing on the Redemption Date, the Redemption Price will be paid to holders of Debentures upon presentation and surrender of Debentures with all coupons appertaining thereto maturing after the Redemption Date.

Coupons which shall have matured prior to said Redemption Date should be detached and surrendered for payment in the usual manner.

On and after the Redemption Date, interest on the Debentures will cease to accrue. All rights with respect to such Debentures will cease on the Redemption Date, except the right of the holders thereof to receive the Redemption Price and to receive payment for accrued interest to the Redemption Date.

To receive payment of the Redemption Price and accrued interest to the Redemption Date, on or after the Redemption Date, Debentures, together with the coupon appertaining thereto maturing after the Redemption Date, must be presented and surrendered to the Trustee or any Paying Agent, at the option of the holder by mail: Chemical Bank, P.O. Box 25996 Church Street Station, New York, New York 10008; or, by hand: Chemical Bank, Corporate Tellers, 55 Water Street—Room 234, 2nd Floor North Building, New York, New York 10041 or at the main office of Chemical Bank in London, the main office of Alzement Bank Node lead N.V. in Amelorston. the main office of Algemene Bank Nederland N.V. in Amsterdam, the main office of Commerzbank Aktiengesellschaft in Frankfurt/Main, the main office of Swiss Bank Corporation in Basle, the main office of Credit Suisse in Zurich, the main office of Banque Nationale de Paris S.A. in Paris or the main office of Kredietbank S.A. Luxembourgeoise in Luxembourg.

TENNECO INTERNATIONAL N.V.

Dated: October 28, 1986

French aim to build 60 private prisons

drought.

Mr Baco said the outlook was for a current account deficit in hard currency of about \$900m by the end of the year. This would be twice that of last year. The trade deficit, he said, was likely to decline to about \$250m because of the customary fourth because of the customary.

covered more than nine months of import requirements.

Last-ditch talks were taking place last night to try to avoid a further deterioration in the third public sector strike to have hit Sweden in the past 18 months.

TCO-S, the union confederation which represents about the property have said they cannot offer more than an 270,000 white-collar state employees, said it would go ahead with its threat to call ont 7,000 members and stop another 25,000 from working overtime, The two key issues at the two key issues at the will cost it up to \$250m this year, while the cost of the drought could amount to \$200m. He estimated that last year's liberalisation of imports—urged by the International Monetary Fund to modernise Hungarian industry—cost about \$100m. Another \$100m of the trade will cost it up to \$250m this year, while the cost of the drought could amount to \$200m. He estimated that last year's liberalisation of imports—urged by the International Monetary Fund to modernise Hungarian industry—cost about \$100m of the trade will cost it up to \$250m this year, while the cost of the drought could amount to \$200m. He estimated that last year's liberalisation of imports—urged by the International Monetary Fund to modernise Hungarian industry—cost about \$100m of the trade drought could amount to \$200m. He estimated that last year's liberalisation of imports—urged by the International Monetary Fund to modernise Hungarian industry—cost of the drought could amount to \$200m. He estimated that last year's liberalisation of imports—cost of the drought could amount to \$200m. He estimated that last year's liberalisation of imports—cost about \$100m of the trade will cost it up to \$250m. He estimated that last year's liberalisation of imports—cost about \$100m of the trade will cost it up to \$250m. He estimated that last year's liberalisation of imports—cost of the drought could amount to \$200m. He estimated that last year's liberalisation of imports—cost of the drought could amount to \$200m.

W. German surplus

West Germany's current account surplus provisionally widened to DM 6.8hm (£2.4hm) in September from a downwards revised DM 4.1hm in August, a Federal Statistics Office official said, Reuter reports.

The trade surplus widened to DM 10.4hm in September from a slightly downwards revised DM 8.1hm the mouth before.

The Statistics Office had previously estimated the August current account surplus at DM 5bm and the August trade surplus at DM 8.3hm.

financial groups, the French

conservative Government is

now embarking on an ambitious and novel programme to
build between 60 and 70 private
prisons hetween now and 1990.

Mr Albin Chalandon, the
Justice Minister and former
chairman of the Elf Agnitaine
oil group, is now putting the
financial touches to his private
studying proposals for granting

debt by \$2.4bn to \$7.4bn.

Disclosing the "disappointing" performance, Mr Ede
Bako, a managing director of
the Hungardan National Bank,
said it was mainly a result of
"Outside factors,"

This year's growth in national
income — GNP minus services,
he said — will be about 1 to 1;
per cent, compered with
a target of about 2.5 per cent.

Hard currency imports soared
20 per cent in the first nine
months to \$3.5bn because of a
continued deterioration in
Hungary's terms of trade, as
well as a lifting of import
curbs.

Exports rose only 6 per cent
to \$2.9bn and were influenced
by lower packes for Hungarian
and the Eir Aquitane
claimed that it was not officially
studying proposals for granting
studying

NOT CONTENT with its pro-gramme to privatise the coun-try's major state industrial and mates a year.

managed prisons. At the same prisons, These are expected to judicial bodies which will also be able to house between 200 bave to rule on the govern-more places in the public prison to 450 immates are expected to judicial bodies which will also be able to house between 200 bave to rule on the govern-more places in the public prison.

Mr Chalandon believes that the private prison plan will cost far less than an entirely

France's need to construct new prison facilities has grown

The Government will retain overall control of the private prisons, but the private con-tractors would manage them on the basis of an 18-year renewable contract. Private guards would also be hired, although

they would have previously been trained by the state.

French parliamentarians have already visited private prisons in the U Sto see how the system works there. The government has also received a number of American consul-tants to discuss the management of the private prisons and anxious to offer their services.

However, several French construction, catering and hotel service groups have also expressed considerable interest in the programme involving investments of FFr 1bn-FFr

Although Mr Chalandon
bopes to push through Parliament his private prisons bill
before the end of this year, the
project could be delayed by the
Constitutional Council and the
Council of State, the two senior

expressed concern over the
government private prison
impact the private prisons could
bave on the jobs of state prison
guards, and appear generally
opposed to the idea

At the same time, the Finance and Economy Ministry is concerned over the size of Mr Chalandon's project and would like to scale it down.

Although the private prisons are expected to be less expensive for the government, they will involve a cost of ebout FFr 300 a day for each prisoner This daily sum would be paid This daily sum would be paid by the state to the private con-tractor or manager of the prison. The FFr 300 a day for each prisoner includes FFr 114 for depreciation of the buildings, FFr 112 for the cost of prison staff and FFr 60 for the upkeep of the inmate, according to one of the French groups interested in bidding for groups interested in bldding for a private prison management

contract. The prison unions heve also expressed concern over the

Geneva treaty violations 'grave'

AN OFFICIAL report to the International Red Cross conference yes Mr Hay said disregard of the conterday told of a long list of viola- ventions has become "more and tions of humanitarian law in e ris- more common" in recent years. ing number of armed conflicts "Certain governments or other parthroughout the world, AP reports ties to the conflicts have regulary or from Geneva.

tions on the protection of prisoners rules of humanity," he said.

acts as neutral intermediary be- bique.

The report cited grave failures to ly the provisions of the Geneva comply with the Geneva Conventions but even elementary

and civilian populations even in countries receiving aid from the humanitarian agency.

The report was delivered by Mr Alexandre Hay, president of the all-Swiss International Committee of the Red Cross, which monitors observance of the conventions and carried integrable and Mozam-himse

in about half of the 23 international

Airbus awaits report on iet bulkhead 'failure' BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

in about half of the 23 international and civil conflicts included:

O Gulf: Iraqi observance of Geneva conventions "has steadily improved over the past few years but Iran has halted Red Cross protection activities in its prisoner of war camps since October 1994.

O Angola: The Government has not yet accepted Red Cross offers of services to visit prisoners captured during clashes inside the country.

C Cambodia: Despite repeated approaches, the Committee "has so far not been allowed to carry out its mandate and provide protection for prisoners inside Cambodia."

BY MICHAFL DONNE, AEROSPACE CORRESPONDENT

Thus although the reported failure was not catastrophic, failure was not catastrophi

Introducing











As you can see, this is not some new kind of vehicle for negotiating rough terrain.

It is, in fact, Saginaw Tilt Wheel Steering. A special feature that can alter the way a

The wheel adjusts to five separate positions. So, from a driver's point of view, it can make

life more comfortable.

In turn, making driving far safer. (Added to which, a unique Saginaw energy-

absorbing column comes as standard.) Changing the angle of the wheel takes no effort whatsoever.

By moving a small lever on the steering column, it can be set to the ideal position. Tilted down, it's easy to imagine what a fast

sports car feels like. Tilted up, it's like being behind the wheel of a London bus.

This last position also provides more leg room, so getting in and out of a car becomes a much simpler

But it's not only the fleet driver who benefits from Saginaw Tilt Wheel Steering.

Fleet Managers do, too.

Because every car it's fitted to will adapt to many more people.

Allowing drivers and cars to be interchanged quite easily.

And giving a fleet greater flexibility. There aren't many extras that can do that.

And certainly not for just £75 (plus VAT and

how it handles.

So give us a call on 01-200 0200. And find out more about 5-wheel drive and



Degrees more comfortable. Degrees safer.

S African mines hit as 40,000 blacks strike

ALMOST 40,000 black miners ALMOST 40,000 black miners Relations between black have gone on strike in support miners and tha mine managers of wage demands at three gold mines managed by Gold Fields Fields refused to join four of South Africa, the min'ng ether mining beuses in house controlled by Consolidated Geld Fields, based in atton procedures.

The strikes began late on Sunday at the Doornfontein,

in the strike and that mine security forces had shot at security victes data shot at strikers with rubber bullets and had used tear gas to disperse groups of workers. Police dealed involvement but

sald that Gold Fields' security officials had arrested union efficials and strikers for alleged intimidation at the East Drie-fontein and West Driefontein mines and that tear gas and rubber bullets bad been used to break up demenstrations. Mine buildings were set alight at Doornfontein property. have been tense since Gold

The Gold Fields mines gave black workers increases ranging from 15 per cent to 20 per Deelkraal and Kloof mines only hours before the all-black National Unity of Mineworkers was expected to signify its acceptance of improved pay offers by four other mining houses.

Mr Marcel Golding, a mien official, said yesterday that police had arrested eight union officials and werkers involved in the strika and that mine

• All of the 26 men injured in Sunday morning's accident et the Randfontein estates gold mine had been brought to the mine had been brought to the surface by early yesterday. Hewever, Mr Eric Brereton, managing director of Shaft Sinkers, the company sinking the Randfontein Ne 3A ventilation shaft, said yesterday that the basist, said yesterday that the budies of three dead miners had still to be recovered. Six black miners were killed early on Sanday when hoisting machinery went out of control

Reserve Bank official faces police investigation

BY OUR JOHANNESBURG CORRESPONDENT

DR JAN LOMBARD, e deputy governor of the South African Reserve Bank, has voluntarily relinquished his foreign exchange control responsibilities while hash efficials the ties while bank officials, the Finance Ministry and police investigate alleged exchange control contraventions.

Rapport, an Afrikaans newspaper, claims Dr Lombard's son, also called Jan, was involved in illegal round-tripping transactions to bring the equivalent of about R22.5m into South Africa through the financial rand market and to externalise it in commercial rands.

Round - tripping, whereby money is brought into South Africa in South Round tripping deals. Dr Lombard's are involved in tha round-tripping deals, Dr Lombard has for his companies and that he was involved in tha round-tripping deals. Dr Lombard has denounced the allegations as Rapport, an Afrikaans news-

Earlier this year, African Bank, a black-owned banking company, lost its fereign exchange licence after its executives had been caught in round-tripping deals. Police are still investigating

Round - tripping, whereby was involved in the round-money is brought into South tripping deals. Dr Lombard has Africa in fluencial rands denounced the allegations as currently worth less than scandalous and denies involve-us\$0.20 and immediately ment in any of the transactions.

Hong Kong exports rise by 27%

By David Dodwell in Hong Kong

HONG KONG'S demestic exports rose to HK\$12.94hn (£1.25bn) last month, 27 per cent above the figure of HK\$10.08hn a year ago. This HK\$10.98bn lends support te predictions of strong experi-

The figures show demestic experts for the first nint months of the year at HK\$162.28bn—14.2 per cent up in nominal terms on experts of HK\$94.9bn a year

ago.

The recovery from virtual stagnation in 1985 comes stagnation in 1985 comes almost entirely from an improvement in trade competitiveness. This is due to a steep fall in the international exchange value of the Hong Kong dollar, which is linked to the US dollar. Strongest gains have come in European markets.

Receptoris surged 34.3 per

markets.

Re-exports surged 34.3 per cent in the month, from HK\$8.28bn in September last year to HK\$11.13bn. This reverses a trend earlier in the year and suggests that China, year and suggests that China, which accounts for most reexport trade, is having some
success in boosting exports.

Re-exports for the year so
far total HK385.26bn, up 8.5
per cent on last year. This
takes total exports to
HK3193.74bn.

Imports also surged in
September, by 28.3 per cent
to HK518.21bn. Imports for
the first nine months amount

the first nive months amount to HK\$194.44bn—15.1 per cent up on 1985.

Wong Sulong in Kuala Lumpur analyses an austerity budget

Reining in the Malaysian big spenders

has adopted a three-pronged strategy in its 1987 budget to confront the problems of a zero growth economy, rapidly con-tracting revenues and rising expenditure.

It involves a further reduc-tion of the Government's role in the ecocomy aleeg with the m the ecosomy aleeg with the promotion of exports and reduction of imports to keep the balance of payments within manageable limits, and the creation of an atmosphere conductive for the promotion of the promoti creation of an atmosphere con-ducive for business activity. For the third successive year,

the Government is making deep cuts in its budget to rein in spending that threatens to run eut of control. This year, for the first time, revenue is not anough even to cover eperating expenditure and the budget deficit is expected to rise to M\$8.2bn (£2.2bn) in 1987 from M\$5.7bn last year.

At the same time, econemic growth is expected to fall from an annual rate of around 7.5 per cent during the 1970s and early 1980s to 1 er 2 per cent at best over the next few years.

The Government is putting the blame on the collapse in prices of its commodity exports—oil, rubber, tin, palm eil and timber—and the west global —oil, rubber, tin, palm eil and timber—and the weak glebal recovery. But hankers say it must take part of the blame for its economic mismanagement. Dr Mahathir Mohamad, the Prime Minister, told Malaysians they have to accept lower standards of living, and the budget introduced last week contained.

introduced last week contained a 6 per cent cut in spending for 1987. Operating expenditure will take up M\$20.7bn out of the M\$26.77bn total, with the

cans also attending the funeral.

MALAYSIA'S NATIONAL PRODUCT Gross National Product (in constant 1978 prices) 52.7 Consumption expenditure (public)
Consumption expenditure (private
Fixed capital formation (public)
Fixed capital formation (private) 3.2 16.3

FEDERAL BUDGET 1985 1986 Operating expenditure Development expenditure (new) Domestic borrowing (new) Foreign borrowing (new) Foreign debt service ratio

remaining M\$6.07bm development.

Davelopment spending has been slashed by 24 per cent. with housing, haalth, and other social and economic services taking the biggest cuts. Defance and internal security spending which has already been severely trimmed in the past years, was

left untouched.

Agriculture, a sector that has been neglected in recent years, received a 20 per cent increase, in part an expression of the Government's gratitude for the solid support given by the rural veters in the general elections last August.

New that it has been returned to power with a solid mandate, the Government can be tough, particularly to its bloated, pampered but influential civil service. Many of these

employees' perks and allow-sinces, such as cheap housing and ear loans, will be trimmed. The size of the service, now 850,000 strong, will be reduced and new empleyees will not be entitled to pensions but will contribute to a superannuation

fund.
These measures will save tha These measures will save tha Governmant a few hundred million ringgit a year. With stringent control over operating expenditure, the Government bopes to balance the operating spending of the budget by 1989.

Mr Daim Zainnddin, the Finance Minister, amounced a stepped-up privatisation programme, and offered to lease the loss-making railways to the private sector for a nominal

and partly because Malaysia is already one of the highest taxed

developing countries.

Instead, the Government announced measures to closa loopholes in the tax system, such as introducing e compul-sory monthly income tax deduction scheme, and an end to tax-free status of some of the wealthy clubs and social organisations. Sevaral concessions

made to private business. They were not substantial, but taking into account the new invest-ment incentives and liberal equity rules announced earlier, they represent amplification of the Government's efforts to encourage the private sector to encourage the private sector to take the lead in the economy.

Exporters will get higher income tax rebates, and "ploneer" status is to be extended from five to 10 years for new companies "on a selective basis." To encourage foreign financing for large projects, the 20 per cent withholding tax on interest will be abolished for loans exceeding M\$250m.

Of significance is the relaxation of the cumbersome Indus-trial Co-ordination Act. It will now apply to manufacturing concerns with sharehelders' funds abova M\$2.5m and/or 75 workers.

"This will free thousands of hackyard factories from the overview of the ICA, and is most welcome," said a spokesman of the Associated Chinese Chambers of Commerce and Industry who said was a spoke of the said was a spoke of the said was a spoke of the said was sa private sector for a nominal Industry, who said many such fall further to below \$46bn by sum of one ringgit. He factories had refrained from the and of 1986," one official announced no major tax rises, expanding

Truce takes hold in S Lebanon

SYRIAN-MEDIATED truce began to take hold in south Lebanon yesterday as Sunni Moslem militiamen were deployed to separate Palestinian guerrillas from their Shia Moslem foes, witnesses told Reuter in Sidon.

menter in Statut.

Police said fierce rocket and machinegun fire at the Ain al-Hilweh refugee camp near Sidon marred a ceasefire declared overnight but the clashes subsided into stored a charting subsided into sporadic shooting by mid-day. One man was killed and two wounded.

Witnesses said 60 Sunni fighters of the local Popular

Liberation Army (PLA) set no checkpoints on roads near Miyen Miyeb camp, south-east of Sidon, to keep apart Pales-tinlan and Shia Amal militiamen after a weekend of heavy fighting.

The truce came after at least 24 peopla were killed and more than 70 wounded when Palestinians thrust out of Ain al-Hilweh and Miyeh Miyeh into Amal-held villages inland.

S Korea predicts

foreign debt fall SOUTH KOREA expects its annual foreign debt to fall for the first time this year, officials the first time this year, officials at the Government's Economic Planning Board said yesterday, Renter reports from Scoul.

Foreign dabt fell last month to \$46.3bn (£32.37bn), down from the \$47.4bn high recorded in July. "The figure is likely to the first the first said the said of the said the said of the said the said of the said

BY VICTOR MALLET IN MAPUTO

SEVENTEEN MEMBERS of Mozambican President Samora Ma-chel's entourage, killed with him in an air crash in South Africa more than a week ago, were buried in an emotional ceremony in Maputo yes-

A guard of honour fired volleys of rifle shots in the air at the cemetery as relatives wept and members of the Polithure paid their respects.

The leaders of the black Southern African "frontline" states and other dignitaries from around the world, including Mr Oliver Tambo of the African National Congress and Mr Joe Slove of the South African Communist Party, have started arriving for Mr Machel's state funeral today.

The frontline states are likely to hold an informal meeting after the burial to discuss the tense situation of Pedro and another survivor. Mr Pedro and another survivor in Southern Africa, and Western visitors such as Mrs Lynda Chalker,

Mr Deniel Cuna, a presidential bodyguard, both contradicted ac-counts in the official Mozambican press which have spoken of an ex-UK junior minister, will want to make contact with influential Afriplosion in the aircraft before the At a news conference in Mapuio

yesterday, a survivor of the crash accused South African police of ig-Mr Pedro said that he was dozing and Mr Cona said that he was read ing when the aircraft crashed at noring the cries of the wounded and night in e remote part of South Afri-ca near the Mozambican border. sifting through the wreckage in-

Some frontline states have ac "They were not helping those cused South Africa or right-wing re-who were screaming. They were bels of causing the creah, but Mo-just collecting documents. This I zamhique has made no direct allesaw with my own eyes," said Mr.Al- gations so far,

Machel air crash victims buried Suharto to stand for re-election

BY JOHN MURRAY BROWN IN JAKARTA

PRESIDENT SUHARTO of Indone of the currency, the rupiah, to offset Movement. The president has long sin is to stand for re-election in a projected fall in oil revenues to aspired to lead the movement. 1988, a contest which most obser-

vers agree he is certain to win.

The 63-year-old leader, who has ruled Indonesia since 1965 following an abortive coup, pledged his continued commitment to the development of Indonesia, which has en-joyed imprecedented rates of economic growth since the 1970s on the back of the oil boom. However, with the collapse of prices for oil, which accounts for 70 per cent of export revenues and 55 per cent of state budget revenues, Indonesia's 165m people look set for a sustained period of hardship.

Last month the Government an-

nounced a 45 per cent devaluation

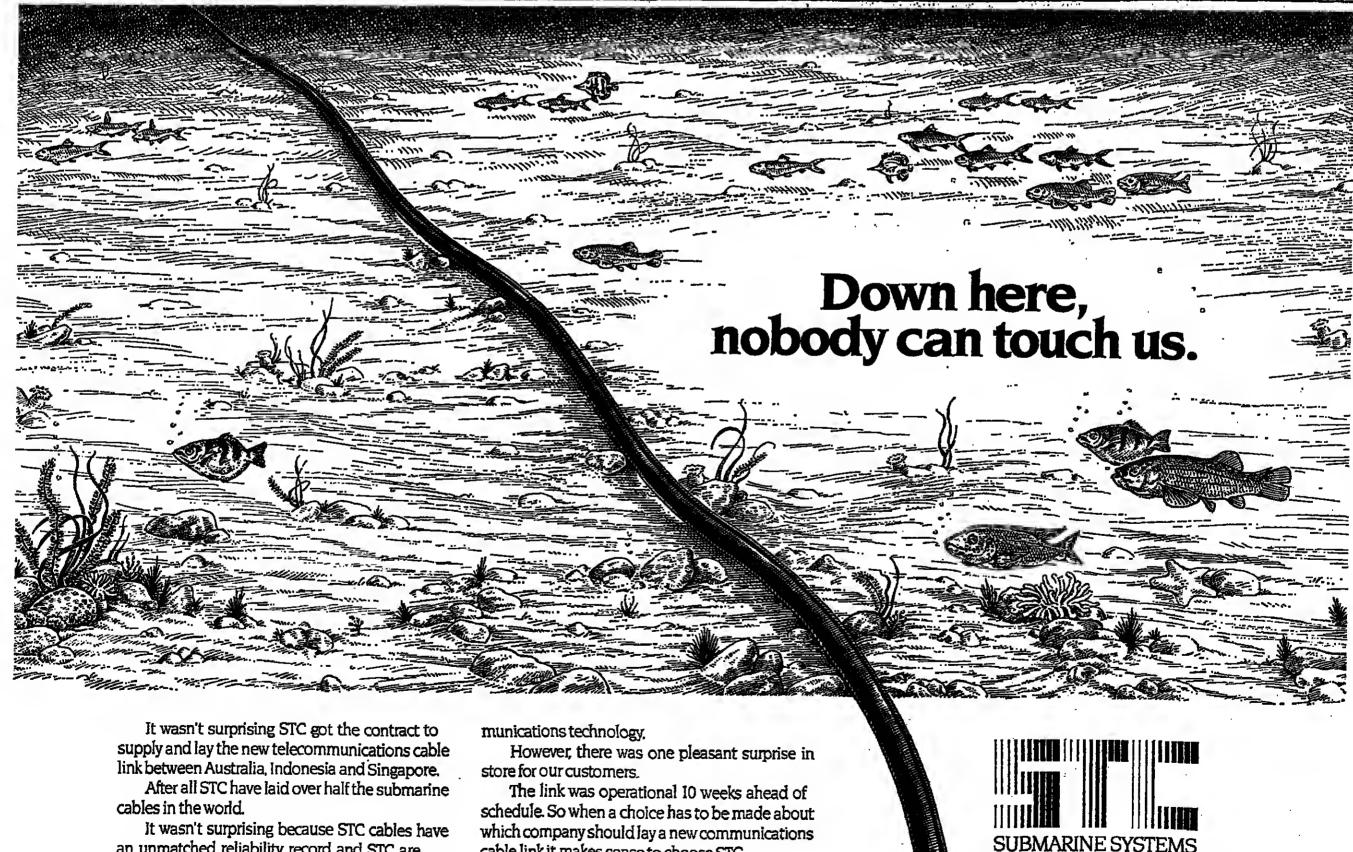
\$6.62hn from \$12.66hm last year.
Foreign investment has also fallen in the first half of this year by \$60 of next year's national elections. per cent according to recent figures, reflecting in part the general downturn in world economic activity.

However, economists believe
much could be done to improve the investment climate by dismanting taziff and more non-tariff barriers, the main cause of Indonesia's unof the alections.

competitive and high-cost economy. Internationally, President Suhar-to suffered a further blow when In-

There were also signs of the Gov-Last month nine communists, all of whom had languished in prison since the failed coup in 1965, were executed in an apparent warning to would be troublemakers in advance

Last week, Sinar Harapan, the country's second largest circulation paper, was shut down after claiming the Government was to dismantle non-tariff barriers, namely the dia amounced it would back the
South American candidate ahead of
Indonesia to succeed Zimbabwe as
next chairman of the Non-Aligned immoded for running the same story



an unmatched reliability record and STC are the acknowledged leaders in underwater telecomcable link it makes sense to choose STC.

The company that delivers the best worldwide.

Leaders in underwater telecommunications. Christchurch Way, Greenwich, London S£10 0AG, England.

WORLD TRADE NEWS

EEC issues formal challenge to US chip deal with Japan

BY WILLIAM DULLFORCE IN GENEVA

THE EUROPEAN Economic Community yesterday formally chal-lenged the US-Japanese agreement on semiconductors under the General Agreement on Tariffs and

The pact had more than bilateral significance: it could have an important impact on prices in third mar-kets, Mr Jean-Pierre Derisbourg, deputy head of the EEC Commission's team in Geneva, told the Gatt

especially concerned about the un-derstanding on access to the Japaselieved to be contained in unpub

Gatt'e requirement of transparency, the EEC complained. The full text

Under the agreement, reached at tions with the US and Japane. Yes-the end of July, Japanese manufacturers will raise their prices for trom several countries, including some kinds of computer memory Canada, Sweden, South Korea, Sinsome kinds of computer memory chips. The deal also assures the US and other countries of a larger share of the Japanese semiconduc-

The US forced through the accord

at prices below production costs.

The EEC Commission believes that the pact may violate Gatt's anti-dumping code and European manufacturers fear it will lead to a joint carving up of the world semi-conductor market by Japan and the re-

efit rather than suffer from the the recent standstill undertaking by

US insistence on having intellec-tual property rights and trade-related investment handled sep-arately prevented the 92 coun-tries in the General Agreement on Tariffs and Trade (Gatt) from agreeing yesterday how to orga-nise new multilateral trade negoens, dubbed the Uruguny

A compromise offer by India to accept separate treatment for the two "new" Gatt Issues in return for a special negotiating group on textiles has been refused by

Although there had been widespread coverage of the deal in the
press, little had been done to meet

impuntations turers. The recent Japanese Government decision to monitor the
costs and pricing of exports would
press, little had been done to meet the Japanese representative, said.

the EEC complained. The full text of the US-Japan agreement has not been filed with Gatt.

Before it can proceed with its complaint in Gatt the EEC will have to seek a solution in direct consultagapore, Brazil and Australia.

In the Gatt council yesterday the US was criticised by Canada for some recently imposed import charges and Jepan accepted the apby threatening to take unilateral action against the Japanese for allegedly dumping microchips in the US at prices below production costs.

The US forcen inrough the acceptance of the pointment of a Gatt panel to examine a US complaint that it is unfairly restricting imports of some agricultural goods.

Canada told the Gatt council that a US tex on all imports imposed un-der a law signed on October 17 by President Ronald Reagan was dis-

US.

But yesterday Mr Michael Samuels, deputy US trade representative, said European countries would benefit rether the officer of the countries would be the countries which saw the US tax as a breach of the countries would be the countries which saw the US tax as a breach of the countries which saw the use of the countries which saw the use of the countries which saw the countries which saw the countries which saw the countries which saw the

Ivo Dawnay on a softening of information technology policy

Brazil cools conflict with US

TRADE tensions between Brazil modate some US complaints. and the US, most visible over It remains unclear, however, information technology, appear whether sufficient progress is to be receding following a series being made to persuade the US of placatory signals from to defer indefinitely its threat

Brasilie.

Over recent weeks, the Brazilian authorities have taken a number of steps clearly simed to defuse mounting pressure within the US for tough retaliate against Brazili. President Ronald Reagan has ordered that no action should be taken until the end of the year.

"These are all useful signs, but a lot still needs to be done," within the US for tough retallations one US trade officials said this country'e so-called market reserve policies which the US claims are protectionist.

Under the Brazilian's informatics law computers, computer software and all products with computer chips are protected.

Thess moves have included:

but a lot still needs to be done."

week. As if to emphasise this view, Washington has pushed ahead with complaint proceedings under the General Agreement on Tariffe and Trade puter software and all products (Gatt) — a warning shot that was badly received in the highly nationalistic Brazilian Press.

So too was an entirely unre-

These moves have included:

So too was an entirely unreto IBM Do Brasil to manufacnational Trade Commission last ture large storage capacity week to impose e provisional discs of up to five gigabytes, despite plans by Brazilian rivals to enter the same market.

The personal intervention by plaints from Florida producers The personal intervention by President Jose Sarney in an internal government row with the insistence that full copyright protection be given to imported foreign software—a key issue for the US.

Approval this month for a company linking Gerdau, the diversified Brazilian group with IBM, to compete for Government contracts in the data processing services market as a "national" contractor.

But despite these developments there le also concern that metals from Florida producers over Brazil's 50 per cent share over Brazil's 50 per cent share

In a valedictory interview,

But despite these developments there is a strong nationalist resurgence in the current election campaign could force Brazil back into a mood of confrontation with its largest trading partner.

US officials in Brazil are continuing to monitor closely the decisions of Government agencies over informetion technology policy. But there is e clear feeling in Brasilia that real efforts are now being made by the Special Informatics Secretarian as a valedictory interview, and congressional elections, due on November 15.

The change in mood in the Samey Administration — inspired perhaps by the underlining President Samey of the President's recent state underlining President Samey of the President's recent state underlining President Samey of the Brazilian feeling in Brasilia that real efforts are now being made by the Special Informatics Secre the Special Informatics Secre-tariat (SEI) — the body respon-sible for defending the national



President Sarney: preference for dialogue

service, particularly in the SEI itself. Furthermore, they are winning unprecedented prominence at present in the final month's run-up to state and congressional elections,

that, for ideological reasons or other motives, are interested in a confrontation with the US."

Those forces—often a curious alliance of the Brazilian left with their old enemies, the market reserve policy to state their case.

They argue that Brazilian policy prevents top companies getting access to essential new technology simply to allow less with their old enemies, the market reserve policy to state their case.

They argue that Brazilian extinction policy prevents top companies getting access to essential new technology simply to allow less sophisticated domestic producers to learn to invent the wheel,

economist, Prof Mario Henrique wrote scathingly "Taken to its policy) will oblige us to creete a wholly local mathematics in which a Brazilian will have to rediscover the theory of Pythagoras—a Greek who hae long subjected us to foreign ideas."

More immediately worrying for Brazil are the possible consequences that US retaliation could have. The country enjoys a \$4.25 in trade surplus with its northern neighbour, making confrontation as making confrontation an unacceptably costly option.

Regardless of these considerations, the argument that the market reserve policy has created e \$2bn-a-year industry from scratch also has some powerful and erticulate advocates. The question now abendon the policy, but simply how to manage it in a way that makes the rules clearer, less arbitrarily imposed and more palatable to the Americans.

A second, more disturbing issue is whether or not the forthcoming constituent assembly will support the extension of the reserve policy to other sectors. Several election candidates are already arguing for e similar reserve for the chemicals industry.

Euphorla over the return to democracy and the current economic boom may inspire those who equate trade barriers with patriotism to force some highly provocative clauses into

the new constitution.

Many, life Prof Simonsen, fear that a xenophobic tide could undo the delicate progress of recent weeks and lead the two countries back on to a dangerous course of confronta-tion. That could have dire consequences for parallel talks on investment and debt.



Home Mortgage Rate Change

With effect from Wednesday, 5th November, 1986 Co-operative Bank Home Mortgage Rate changes to 12.7% p.a. APR 13.2% p.a. Endowment Mortgage APR 13.5% p.a.

> Co-operative Bank p.Lc., P.O. Box 10L 1 Balloon Street, Manchester M60 4EP.

STHE CO-OPERATIVE BANK

...LAST IN

From Oct 26th. Eurobusiness travellers to London can leave Milan at 8.15pm* Alitalia now has 52 weekly flights between Heathrow and Milan, 114 flights in all, between Heathrow and Italy. Brava Alitalia!



ADVERTISEMENT

FOCUS ON COMMERCE AND INDUSTRY IN SOUTHERN AFRICA

efit rather than suffer from the the recent standstill undertaking by trade ministers at the meeting in of efforts to enhance the ability of foreign producers to compete in the Japanese market and to prevent dumping by the Japanese. Japan gave an assurance that the measures contained in the pact were intended to improve access to while the negotiations are taking its market for all foreign manufac

BY LAURA RAUN IN AMSTERDAM.

PHILIPS, the Dutch electronics CD-I to surge to more than group, and R. R. Donnelley and \$100m by 1990; depending on Sons, the largest printing combow fast publishers turn to pany in the US, have launched optical media for producing e 50-50 joint venture to provide production services to publishers wanting to use compact discussive (CD-I) technology interactive (CD-I) technology interactive (CD-I) technology in the growth of CD-I soft-

The venture, called Optimage Interactive Services, is aimed at exploiting the rapid development of the two-way use of compact discs for information and entertainment, especially in the home. CD-I allows the user to select pictures, sound, deta and text from the information that is optically stored and read by e laser on the compact disc.

Philips forges US link for compact disc service

> Earlier this month Philips and its Polygram subsidiary launched a new company called European Interactive Media to produce software for the CD-I

disc - interactive (CD-I) tech-nology. moting the growth of CD-I soft-ware in preparation for Philips' introduction of e CD-I player

the home. CD-I allows the user to select pictures, sound, detained text from the information that is optically stored and read by e laser on the compact disc.

Philips expects the market for the compact of the compact disc.

Philips expects the market for the system which they hope will be adopted by the industry and promote faster development.

NOTICE OF REDEMPTION

To the Holders of

TOKYO SANYO ELECTRIC CO., LTD.

US\$30,000,000

54% Convertible Notes Due November 30, 1996

NOTICE IS HEREBY GIVEN that, pursuant to the provisions of the Indeuture dated August 12, 1981 between Tokyo Sanyo Electric Co., Ltd. (the "Company") and Morgan Guaranty Trust Company of New York, as Trustee, all of the above mentioned Notes outstanding under the said Indenture have been called for redemption on 30th November, 1986 at the redemption price of 103% of the principal amount thereof. Coupons maturing on 30th November, 1986 will be paid in the usual manner. From 30th November, 1986 all interest on the November, 1986 will be paid in the right to convert the Notes into Common Stock of the Company will terminate at the close of business on Wednesday, 26th November, 1986, the second Business Day immediately preceding the date fixed for redemption. Notes to be converted should be surrendered in accordance with Section 3.02 (a) at the office of the Conversion Agents specified at the end of this notice on or before 26th November, 1986.

26th November, 1986.

The Notes are presently convertible into Common Stock of the Company at a price of yen 423.80 per share. At such Conversion Price the holder of US\$5,000 principal amount of Notes would receive 2,742 shares of Common Stock of the Company (using the fixed exchange rate specified in the Indenture of yen 232.45 equals US\$1.00). Cooverting Noteholders will receive certificates for shares with respect to a unit of 1,000 shares or its integral multiples, and with respect to any number of shares not comprising a full unit of 1,000 shares, they will receive a cash adjustment therefor. Failure to deliver Notes for conversion on or before 26th November, 1986 will automatically result in redemption at a price of US\$5,150 for each US\$5,000 principal amount of Notes and payment of coupons maturing on 30th November, 1986. Such payment will be made on and after Monday, 1st December, 1986.

Notes for redemption must have attached all coupons maturing a first payment will be made on and after Monday.

Notes for redemption must have attached all coupons maturing after 30th November, 1986 and should be presented for payment at the specified offices of the Paying Agents listed below.

PAYING AND CONVERSION AGENTS

75001 Paris

14 rue Aldringen Luxembourg City

1, Aeschenvorstadt 4002 Basla

Swiss Bank Corporation

Morgan Guaranty Trust Company
of New York

Banque Generale du Luxembourg S.A.

TOKYO SANYO ELECTRIC CO., LTD.

EEC agrees to deal on pasta, citrus

By Quentin Peel in Luxen

market - to, et least, accom-

THE 12 EEC member states yester day finally gave their blessing to e deal agreed last August between the European Commission and US trade negotiators on a tit-for-tat

The three-leading citrus producers in the Community - Italy, Spain and Greece - dropped their objections to the deal in return for assurances that their own trade would

. At the same time the FEC foreign ministers gave their blessing to a Community complaint against Can-ada, lodged last week with the General Agreement on Tariffs and Trade (Gatt), over the imposition of dian pasta imports.

Failure by the member states to ratify the pasta-citrus agreement had become an embarrassing irritation in the continuing trade tension between Brussels and Washington. In the end, the deal has not been modified in any way.

Prime objective is

wellbeing of Southern Africa

Ron Miller, Deputy Minister of Foreign Affairs, talks to John Spira, Finance Editor of the Johannesburg Sunday Star.

Spira: The past year has seen increasing international pressure on South Africa— a development which is bound to have strained the good relations that the country has been trying to forge with its neigh-bours. How is the government handling

Miller: Outside interference has, it must be admitted, placed certain stresses on our relationships with other countries on the subcontinent. Some have been more affected than others. But in spite of these pressures, our prime objective remains one of security and wellbeing for South Africa and the whole Southern African region. We are convinced that this is the course we should be pursuing and shall continue on this path whether or not the clamour for sanctions grows.

Bear in mind that we still have some way to go in improving our bilateral relations in Africa. Ultimately, we seek normal diplo-matic and economic intercourse with all states of our region - a goal which I believe we shall achieve on the basis of noninterference and mutual respect.

Those who have taken the trouble to carefully study the problems of Southern Africa will realise that the goals we have set ourselves are being frustrated by external elements seeking to destabilise the region for their own ends. Lasting peace isn't easily achievable against e background in which 34 000 Cuban, 2 800 Russian and 1 800 East German troops and military personnel are permanently established on African soil. It is a presence which fuels the arms race

and acts as a deterrent to the money needed for economic development and humanitarj-

Spira: You've referred to non-interference and mutual respect in South Africa's relationships with its neighbours. Surely, however, South Africa's internal policies must represent a stambling block in this

Miller: We are obviously acutely aware of Africa's feelings towards discrimination, par-ticularly in the light of the colonial experiences of many of the continent's countries - including that of South Africa.

It is crucial to an understanding of the issue you raise to appreciate that apartheid is fast being buried in history. President P W Botha has been unequivocal in pointing out that apartheid and paternalism belong to the past and are being replaced by a policy of power-sharing.

Racial discrimination is being dismantled

of South Africa are sceptical. I can assure them it's happening — now and for real! Some of our Southern African neighbours are being totally misled by largely Communist-inspired propaganda, which has tended to warp their perceptions of the reality of the stustion here. Others of emore radical bent tend to perpetuate such perceptions in the belief that the precarious unity which appears to exist among certain African countries will evaporate once the South African issue is removed from the OAU agenda.

The pity of it is that at e time of severe human suffering, the leaders of many African States preoccupy themselves with sterile ideological issues. In the end, we do not regard internal po-

litical differences as an obstacle to normal interstate relations in the region. Malawi, Mozambique, Zimbabwe and Swaziland all have political systems and national policies which differ from that of South Africa — and, indeed, from one another. Yet we maintain official relations with them in the same way that the United States has relations with the

Spira: How do the comments you have just made devetail with the aims of the Southern African Development Coordination Conference (SADCC)?

Miller: The SADCC's objective of developing the economy of the region meshes no ly with our own objectives for Southern Africa. The more prosperous are our neighbours, the more we are able to trade with them a development which, in turn, will help promote wide spread peace and prosperity.

At the same time, it is instructive to place

in perspective the task that the SADCC has set itself. Southern Africa covers a vast area and the \$1 600 million that has thus far been ged to the SADCC will not go very far. The SADCC's hope that it can help its member states to disengage themselves from South Africa is therefore hardly realistic.

South Africe's involvement in Southern Africa is massive. Accordingly, it is naive to contend that South Africa can be ignored or eliminated as an economic factor in the region. South Africa is the powerhouse of Southern Africa. Its role will always be vital to the wellbeing of the sub-continent, with the result that the SADCC should recognise it as a positive force rather than as a nega-



ca. How far does this involvement extend?

Miller: To virtually all areas of human activity. For the past many years South Africa has been supplying humanitarian and techhas been supplying hum nical assistance to people living north of our borders. We've supplied food, medicine and medical care; we've made available our training and scientific facilities; we've fought malaria and other plagnes; we've supplied vaccines. And that's just the tip of the iceberg.

It's hardly a coincidence that my Depart-ment receives about 3 000 letters every month from all over Africa. Further, more than 450 000 Africans visited South Africa

Spira: Could you be more specific on the score of economic interaction?

Miller: Three distinct aspects can be identified — the flow of money, trade and services; our interlocking infrastructures and

power grids; and labour.

Excluding the TBVC countries, some 351 250 foreign Africans work legally in South Africa and an estimated 1 355 300 are illegal immigrants. Taking a conservative line through these figures, as many as 10 million people from the rest of the sub-continent are directly dependent on wages carned in the South African labour market. And they are vages which are, on average, four times higher than the wages paid to those workers in their countries of origin.

Cash flows? Botswana, Lesotho and Swaziland received R493 million from the Customs Union revenue pool during the 1985/6 financial year. It is a figure equivalent to about 50% of their combined total vernment revenues.

In 1985, accumulated wage transfers for mineworkers to Mozambique, Botswana, Lesotho and Swaziland stood at R316 million Trade? In 1985 our exports to African states totalled R1 578 million and our imports from African states were worth R456 million, Both figures are growing and we expect our exports to exceed R2 billion in 1986.

But perhaps the most dramatic indicator of our interdependence lies in the sphere of

Spira: You've stressed South Africa's

Miller: Should sanctions be effective and punitive, our primary concern would obviously be our own economic survival, in the process of implementing the necessary strate-gies we would certainly consider the impact which sanctions on South Africa would have ou our friendly neighbours.

ity of the region?

foreign markets.

We have regular meetings with neighbouring states and with our partners in the Cas-toms Union. They are fully aware of the im-plications of punitive sanctions for their own economies. They know full well that sanctions are e common threat to all the states of Southern Africa - that we are all in the same

transport. On any given day there are between 7 500 and 8 000 South African Railways trucks on the tracks of other African states.

Right now, 27 South African locomotives are

on loan to other states in the region.

Zambia and Zimbabwe might issue sanc-

tions threats; yet Zambia channels roughly 65% of its imports and 40% of its exports

hrough South Africa. And the corresponding figures for Zimbabwe are 85% and 75%; Botswana, Lesotho and Swaziland are totally dependent oo South Africa for access to

Turning to air transport, in 1984/85 South African Airways carried 175,127 passengers and 6 million tons of cargo to neighbouring

We also help as many as nine African states to operate and maintain their transport sys-tems. We repair and service their trucks, fish-

ing boats, dock equipment and their aircraft. In addition, we help train their personnel.

Spira: How would sauctions affect South

Africa's relations with other African states

nd how would they impact on the stabil-

There exists an asymetrical interdependence situation between South Africa and the other states of the region. Thus, if South Africa's economy were to be hit by sanctions, the ller and weaker states would suffer first. And their suffering would be the most se-vere and last the longest.

But the ripples would intrude further into

e continent already plagued by hunger, dis-

ease and economic decay.

Ironically, sanctions will not solve the political problems which they purport to target. Sanctions of one form or another have been applied against South A frica for sever-al years now without having the effect desired by its instigators. Indeed, Prime Minister Thatcher has time and again emphasised that sanctions have never worked.

South Africa's policy is to develop Southern Africa. That which is damaged by sanctions will take decades to rebuild.

Spira: Would effective sanctious create trade vacuums in Africa (and elsewhere) which the sanctionmongers will try to

Miller: Yes - not so much in Africa but in other areas of the world. However, we be-lieve that the quality of our products and the are commodines which cannot easily be

In an Africao context, it is significant that we trade with most of the continent's nations and there are bound to be sound business reasons why this is so. Accordingly, our trade with Africa will continue to expand in the face of economic sanctions.

In cases where other nations do benefit from sanctions against South Africa, those same nations might give some thought to the fact that their actions will produce mass black unemployment, thereby detracting from the quality of life of those affected and severely damaging the future of the next generation of blacks in Africa in general and in Southern

Avenue des Arts 35 B-1040 Brussels

Morgan Guaranty Trust Company of New York

Morgan Guaranty Trust Company of New York

Morgan Guaranty Trust Company of New York

Morgan House, 1 Angel Court London EC2R 7AE

30 West Broadway New York, New York 1001S

DATED: 21st October, 1986

Any payment made within the United States, including any payment made by transfer to an Any payment made within the United States, including any payment made by transfer to an account maintained by the payee with a bank io the United States, may be subject to reporting to the United States internal Revenue Service ("IRS") and to backup withholding at the rate of 20% if payees not recognized as exempt recipients fail to provide the paying agent with an executed IRS Form W-8, certifying under penalties of perjury that the payee is not a United States person, or an executed IRS Form W-9, certifying under penalties of perjury the payee's taxpayer identification number (employer identification number or social security number, as appropriate). Those holders who are required to provide their correct taxpayer identification number on IRS Form W-9 and who fail to do so may also be subject to e-penalty of \$50.00. Holders should therefore provide the appropriate certification when presenting Notes for payment. to make way for the new order. Many critics

DEPARTMENT OF FOREIGN AFFAIRS Republic of South Africa, Private Bag X152, Pretoria, 0001

Stewart Fleming on a Republican drive in a traditional Democrat area

Yankees fight for southern vote

Republican Party strategists slt down to analyse the results of next week's US mid-term elections, the south of the country will be the focus of the most intense scrutiny.

The 11 states of the old confederacy, stretching in an arc from Virginia in tha east to Texas in the west, are the front line in the struggle for political advantage, not only this year, but also in the Presidential election in 1988 and beyond. Recently, a volatile mixture of

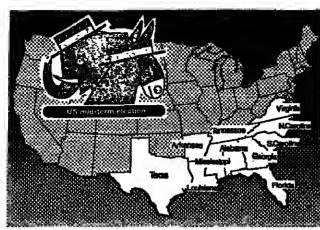
social, economic and political changes in the region has presented both parties with a challenge. Partly as a result of President Ronald Reagan's personal popularity and conservative

approach and partly because of internal Republican Party reforms, the once solidly Demo-

Republicans won four Senate aeats in 1980 and eight in the House of Representatives in 1984, making a total of 10 oot of the 22 southern Senate seats but still only 73 of the 189 House seats today.

Should Mr Reagan's strong campaign in the region pay off and the party retain its gains, the Republicans' chances of keeping control of the Senate would be improved. Mr Reagan would also be ablo to claim that the voters are again endorsing his policies, laying the groundwork for the 1988 Presidential election. Presidential election.

Party officials suspect, however, that they would be unwise to bank on a breakthrough this year, even in states such as Georgia, where trends such as rapid urbanisation, the mushrooming of wealthy suburban enclaves around Atlanta, the immigration of Republican



voters from other states and the divisions within the Demo-cratic Party have helped their

cratic Party have helped their chances.

State Senator Paul Coverdale, chairman of the Georgia Republican Party, has no doubt that the party has made giant strides in terms of organisation and fund raising. Few Democrats would dispute his contention that "we are dramatically abead in our ability to raise funds...(and) to get out the vote." But, he concedes, "we are a long way from having accomplished our goal."

goal."
Polls have consistently shown

Polls have consistently shown that white southern voters' allegiance to the Democratic Party is eroding. In 1980, for example, a New York Times/CBS News poll found that 52 per cent of white southern per cent or white southern voters considered themselves Democrats, 19 per cent Republican and 29 per cent independent. This year 36 per cent identified themselves as Republican, 33 per cent at Democrats and 32 per cent as independent

young white voters are even less inclined to see themselves as party loyalists. A Washington Post/ABC News poll earlier this year found thet 70 per cent of white southern voters under the age of 26 identified themselves as Republicans compared with only 58 per cent nationally.

with only 58 per cent nationally.

Based initially on antipathy towards the "Yankee" Repub-lican President Abraham Lin-coln, the transformation of much of the south into virtually a one-party democratic state was completed under President Franklin Roosevelt in the 1930s when he won the allegiance of

black voters.
But in the past 20 years, Republicans have treasured a dream of success, starting with Senator Barry Goldwater who carried the south in 1964 in the face of the national landslide in favour of President Lyndon

President Nixon also saw the region as fertile ground for the Republicans, not least because southern Democrats ase conindependent.

More worrying to Democrat the party has begun to helieve strategists is the evidence that it could be on tha verge of an

historic realignment of the The Republicans remain baffled, however, about southern voters' behaviour. In spite of the evidence of growing spite of the evidence of growing aupport for the Republican Party nationally, in local elections southerners remain solidly Democratic. All but two of the 11 states have Democratic Governors and in state legislatures, Democratic outnumber Re-

are actively seeking to move that party as a whola to the right,

party as a whola to the right, with some success.

The strength of the Democrats' southern base is also underpinned by a lingering suspicion that the Republicans are elitist and alien. Southerners doubt whether President Reagan's emphasis on private enterprise is justified in a region which has had to rely for decades on local government.

region which has had to rely for decades on local government to promote economic development. The historic allegiance of the party of black voters has also not been eroded by the Republican Party's appeal, partly because the Democrats can often put up the best candidates for office.

The Democrats themselves

dates for office.

Pania Hawkins . . . close race

publicans by almost three to one. At lower levels the ten-dency is even more marked. racial and economic lines.

Blacks in particular are beginning to feel that neither party is responsive to their needs. "Blacks are being left out of both political parties," says Senator Coverdale. "It'a a massive problem." dency is even more marked.

One explanation lies in tha way in which Democratic candidates for national office support more conservative political philosophies than the party as a whole. A group of right-wing "boll weevil" Democrats have been President Reagan's most staunch supporters on fiscal, defence and foreign policy, for instance. Southern Democrats are actively seeking to move tha

The south is thus a political melting pot where old traditions meting pot where old traditions are breaking down and new ones still forming. Republicans concede privately that they are also worried about tha potentially divisive influence which the extreme religious right could have on their party.

The first test of Republican strength next week will be the fate of Senators Paula Hawkins in Florida, Mack Mattingly in Georgia and Jeremiah Denton in Alabama, all conservatives who first won election with the help of President Reagan in 1980 and face strong competition.

Strategists will also be watching the vote for the Governorship in Florida, where Mr Bob Martinez, a Republican hispanic, asems to have the edge, plus a score of elections for the House of Representatives where Republicans must defend the victories of the past six years and other local elections. The Democrats themselves are well aware that their southern coalition is under pressure. Officials in both parties are worried that as the Democratic Party moves to the centre and tha Republican Party fails to recruit black voters, the region is becoming increasingly polarised along

The outcome could have a profound impact, not only on the politics of the region, but also on the nation as a whole.

Call for reform of banking law in US

US RANKING laws must be changed to enable US banks to compete effectively in the rapidly growing global financial markets, a leading US bank regulator said yes-

Mr Robert Clarke, Comp-troller of the Currency, told the annual convention of the American Bankers Associa-tion in San Francisco: "US banks operate under laws that contradict the end of the laws themselves. That end that purpose — is the enhancement of the strength and stability of our banking

"Instead of making our stronger,

"Instead of making our banking system stronger, these laws constrain US banks in the face of world competition, and thus they are a misapplication and abuse of our reason. For American hanking to be preserved, these laws must be changed," he said.

His speech is the latest indication of the growing official concern of the US at the lack of progress in changing 50-year-old laws which hedge US hanks with all sorts of restrictions and limit their ability to take on a growing number of international competitors. Mr. Clarke specifically singled out yesterday's "Big Bang" in London as another sign of the "dizzying speed" with which the global financial markets were changing.

"I am concerned when only one US bank is among the world's largest ten. I am concerned that our banking structure is not equipped to meet the competition when a major Japanese hank can propose to become a partner in a major American securities firm—while American banks are severely limited in the types of securities activities in which they can engage

types of securities activities in which they can engage

bere.
"I am concerned that our is not banking system is not equipped to meet the competi-tion when an American bank can do things in London or Tokyo that it is prohibited from doing in the United States."

Mr Clarke said his concern
—as a public official charged
with maintaining the safety
and soundness of the American banking system—was to
ensure that "our banking structure enhances the inter-national competitiveness of the US banks in the global

Sarney bows to pressure for economic change

BY IVO DÁWNAY IN RIO DE JANEIRO

Brazil has finally conceded materials that his Government will products. Launch a package of economic measures after national elections on November 15.

Until last week, both the president and Mr Dilson Funaro, Finance Minister, were insistent that no lifting of the plan's blanket price freeze was scheduled. Mr Sarney said he had no intention of authorising had no intention of authorising a fiscal package that would raise tax rates.

However, in a recent nation-wide radio broadcast, he said some changes were necessary, but no measures would be taken to set the economy on a receptancy course.

With many sectors of he for record growth, the need for dustry working at full capacity. restraint is expected to lead to companies have complained of some slowdown in 1987.

PRESIDENT JOSE SARNEY of shortfalls in supplies of raw materials .41d intermediate

that his Government will launch a package of economic measures after national elections on November 15.

The decision comes after weeks of pressure from industry and economists for adjustments to the troubled Cruzado Plan, the apti-inflationary shock treatment for the economy introduced in February.

Until last week, both the president and Mr Dilson products.

Lack of spare parts has left motor manufacturers with about 18,000 uncompleted cars and lost profits while unful-descended demand for vehicles has lifted second-hand car prices grow those for new models. Government officials are understood to be working on a series of plans for the forth-coming addistingent. These are believed to include selections.

free rig of key product prices and increases in the tariffa imand increases in the tariffa imposed on state sector companies, such as steelmakers, electricity suppliers and communications.

There is also pressure for tax measures and a squeeze on the public sector, as yet relatively untouched by the February plan. Economists are concerned that the consumer boom has drained francial resources that should be used

taken to set the economy on a recessionary course.

Strains in the economy have been evident for months as a consumar beam resulting from higher disposabla incomes and growing employment have left shortages of many products in shops. Mest, milk, paper and medicines are among tha items that have disappeared from supermarkets, sometimes for several days.

boom has drained f? ancist resources that should be used to lift laggardly investment.

Earlier this month, the Government authorised a L8 per cent devaluation of the cruzado against the dollar and other currencles. The move was seen as the first positive sign of flexibility, provoked in part by a sharp deterioration in the trade suspius,

While this year Brazil hopes trade surplus.
While this year Brazil hopes

US snubbed over Contra training

THREE Central American countries — El Salvador, Honduras and Costa Rica — have objected to the US using their territory to train Nicaraguan Contra rebels trying to overthrow the leftist Sandinista Government.

The contral American countries said in Washington yesterday that they had turned down a US remista Government.

to overthrow the leftist Sandinista Government.

The refusal by the three countries, which border Nicaragua, leaves the Reagan Administration with little option but to train the Contrasin the US.

Such a move would raise public awareness about US involvement in the civil war in Nicaragua. The US is believed to be looking for remote sites to train the rebels, following they had turned down a US request to use their territory for contra training because they did not want to become embroiled in the war.

Both the White House and the Defence Department declined to comment yesterday on the snub delivered by the three Central American countries or on a report in the Washington Post that officials had tentatively decided to opt for training bases in the US.

Argentina tries to lay the ghost of military repression

AFTER 20 years, Argentina's National Security Doctrine, which gave legal-backing to the Dirty War, the counternsurgency campaign of the 1970s, and provided a pretext for the military takeover, is about to be experienced to the

1970s, and provided a pretext for the military takeover, is about to be consigned to the history books.

Last week, tha Senate approved a text for a new defence law which specifically excludes the military from intervening in internal conflict.

After the coup in 1976, almost 9,000 people disappeared after being abducted by the military, police or paramilitary squads, mostly from their homes at night. The military's objective was to eliminate two left-wing guerilla organisations, the Revolutionary People's Army and the Montoneros which in the early 1970s began military actions throughout the country, however, in the process, not only were the guerilla organisations annihilated, so was Argentina's democracy

The National Security Doctrine had its roots in a law dating from 1966 and an earlier military coup, which gave the armed forces a pre-eminent

dating from 1966 and an earlier military coup, which gava the armed forces a pre-eminent role in Argentine politics.

Article 2 of the law says "interferences and substantial disturbances" to the vital interests of the state are sufficient to justify military intervention. The law linked intelligence gathering to national planning, sought to integrate internal, external, economic internal, external economic and defence policies with national security policy, and gave the armed forces sweeping powers to obtain information

on the public from government bodies.

In the past year, the government's defence bill—aimed at taking the military out of politics—has struggled through the House of Deputies after delaying action from the right-wing, and finally emerged from the Senate last week, The bill now stands every chance of becoming law, If it does, the 1968 National Security

Law will be abolished. The new bill means many changes.

National defence will be organised only to counter external threats. Military intelligence will be prohibited from gathering information on political organisations and will be restricted. to gathering information of strategic military importance. It will be directly responsible to the Minister of Defence

rather than the military high

Tim Coone reports from Buenos Aires on efforts to keep the armed forces out of politics

command.

• Members of the Senate and Chamber of Deputies are to join a reorganised National Defence Council, to give it greater civilian representation.

• Economic policy is to be formally separated from defence policy.

The bill bas invited opposition from the armed forces. many of whose members still argument.

The command of the Senate and declina in the interior of tha country, and in action against "Ideological infiltration" in the educational cultural spheres.

Many still favour such a prominent role for the military.

But it is clearly tha aim of President Alfonsin's government that such views should not prevail in a modern Argentina.

argue that they acted correctly during the Dirty War. All three heeds of the armed All three heeds of the armed forces were invited to present their views to the Senate on the new bill, and all of themmost notably the Air Force head, Brigadier Horaclo Crespo—argued for the National Security Doctrine. He said the military could be used against terrorism. terrorism, drug-trafficking, organised crime, population declina in the interior of tha country, and in action against "ideological infiltration" in the educational cultural spheres.

Britain's most popular intelligent

database – requires no programming skills. Call 04868 25925 for brochure POWER WITHOUT PROGRAMMING

Drexel Burnham Lambert

Equities Limited Members of The Stock Exchange, London

Contact:

Brian Palmer

Philip Thomas 01.638.6391 • 01.920.9986

Drexel Burnham Lambert Winchester House, 77 London Wall, London EC2N IBE



hen people werent dr the Glennvel, they were singing its praises. And it was aut of this world.

Ordinary malt whiskies merely Aytoun tells us that: tauch the lips.

But THE GLENLIVET® single malt whisky tauches the soul.

Lauded in literature, verse, and music, in humour and philosophy, it has stirred the creative imagination af Scotsmen for generations.

One J. Scott Skinner was inspired enough to compose o whole song dedicated to THE GLENLIVET.

While his glass overflowed, his pen spilled lyrics:

SCOTT SKINNER'S made anither time, The very dirl o't reached the moon, Till ilka lassie an' her loon

Commenced the dance in frisky, O! The burden o' the sang was this-"We never felt sic Lunar bliss; Anither reel, an' syne a kiss,

Ower gude Glenlivet Whisky, O!" Freemasons! to the Major drink-We daurna speak, but we can wink. An' heaven be thankit, we can think,

An' thinkin, seel richt frisky, O! Lang may they thrive in slock an' store, Balmenach, Craggan, an' Minmore. An' I'll be up to ha'e a splore In gran' Glenlivet Whisky, O!

Praise indeed for the 'Grandfather of all Scotch."

But if THE GLENLIVET was music to Scott Skinner's ears, then to W.E. Aytoun it was nothing short of miraculous.

In the celebroted ballad 'The Massacre of Mocpherson'

THE CLENUTET AND GLENUTET ARE REGISTERED TRADEMARKS IN THE UK AND OTHER COUNTY

Phairson had a son Who married Noah's daughter And nearly spoilt ta flood By trinking up ta water. Which he would have doneat least, believe it -Had ta mixture been Only half Glenlivet."

Anather Scottish writer went even further...

The Immortal Glenlivet. Christopher North believed THE GLENLIVET held the secret of eternal life! In his famous series of sketches for Blockwood's Magazine in 1827, he quated James Hogg, the Ettrick Shepherd.

Gie me the real Glewivet, and I weel believe I could mak drinking tody out o' sea-water. The u mind never tires o Glenlivet, any main than o' caller air. If a body could just jims out the exac' proportion and quantity that oright to be drunk every day and keep to that, I verily trow that he might leeve for ever, without dying at a and that doctors and kirkyards would go out o fashion.

Such eulogies quickly roised THE GLENLIVET to the legendary stotus it enjoys todoy.

> Gow, alias Smith. But when our founders ancestor,

John Gaw, first distilled THE GLENLIVET in 1747, he hod na ideo haw famaus his whisky wauld become.

In fact, fame and fartune were the last things on his mind.

Jahn Gaw was actually seeking

You see, he had faught and last with Bonnie Prince Charlie and had ta flee with his family far fear of

He changed his nome to Smith to baffle the English soldiers and retreated North to a remote Highland valley

Lady Luck and Mother Nature. As if to make up for Gows misfartune an the battlefield of Culloden, Lady Luck guided him to o magical place.

A place where Mother Nature hod assembled the perfect elements far making malt whisky

There were rich craps of barley. Fields carpeted with peat. Soft Highland oir.

And most precious of all, pure spring water from a source known as Josie's Well.

It was here beside Josie's Well thot John Gow (alias Smith) begon his new life as former ond distiller. THE GLENLIVET was born.

of the barley, horvested ot the peak of ripeness.

Or the pure Highland water thot it was steeped in.

Perhops it was the way the peot dried out the malted barley.

Or maybe something wonderful hoppened as the gentle Highland air permeoted through the oak casks while the whisky aged.

No-one could soy because noone knew Not even Jahn Smith. He was just thankful to hove the four 'gifts of God' in such abundance and in such a mystical combination.

Famous, but infamous. At first, Jahn Smith distilled his beloved malt illegally, like all his friends and neighbours, refusing to hand aver one penny in taxes.

He passianately believed in the Highlander's right to make his own dram, in his awn home, without interference fram the Government,



especially a Sassenoch Government! (Robert Burns put the Highlanders' contempt for the Revenue men in o nutshell. "Freedam

ond whisky gong thegither!")

But the word spread obout John Smith's mognificent illicit dram. It stood apart from other malis, with its distinctive 'nose' and unique subtle taste. A smooth, mellow integration of peatiness, softness and sweetness.

Soon, THE GLENLIVET was the toast af gentlemen, lords and even o king. (George IV was said to drink nothing else.)

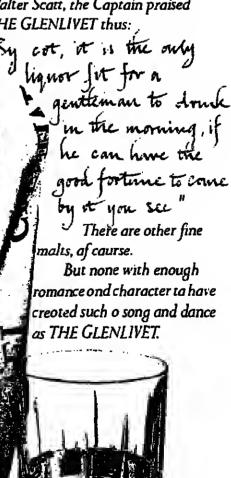
Such a whisky couldn't remain autside the law indefinitely. And so in 1824, at the ripe ald age of 77, THE GLENLIVET distillery became a legal establishment.

No-ane could exploin why it was

Perhaps it was the quality

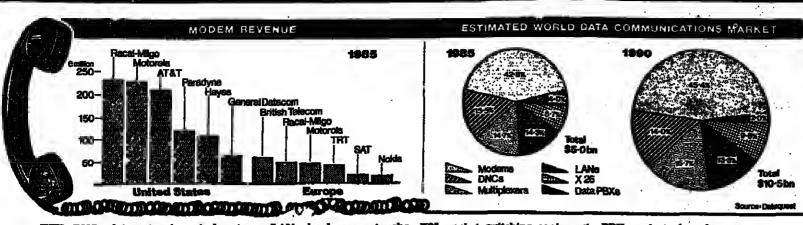
sa special. It just was.

Connaisseurs have been appreciating it and writing about it ever since. In St. Ronan's Well by Sir Walter Scatt, the Captain praised THE GLENLIVET thus:



Scotland's first malt whisky.

TECHNOLOGY



KEY: DNCs. data network control systems. LANs, local area networks. X25, packet switching equipment. PBXs, private branch exchanges

Indian summer in the life of the modem

IN 1981, Roger Walton wrote a report on the modem market which predicted — be now recalls with a chuckle — that "it would die by 1986."

Today, Walton is in charge of marketing modems for the UK branch of one of the world's UK branch of one of the world's top suppliers, Motorola Inc of the US, giving him a key slice of a business that, despite his and others' predictions, is still hooming. His company recently launched one of the most advanced machines on the

Modems are book-sized elec-tronic devices that convert digital data to analog form and vice versa, making it possible for computers to "talk" to each other over the telephone network (see accompanying

Demand has soared—at times np to 20 per cent annually— powered by the expanding communications needs of large corporations. Today, modems account for over 40 per cent of the \$5bn world data communicarions equipment market, according to the UK arm of the market research company Dataquest Inc. of San Jose, California. Dataquest predicts sales will exceed 45 per cent of a \$10.5bn market by 1990.

The conundrum is this: Tha The conuntrum is this: That telephone system itself is gradually being converted to digital operation. Eventually, it will be the human voice that is converted to digital form (by thry chips buried in the telephone handset), rather than data made analog. When that bappens, modems will be out of a lob.

Certainly, it was obvious five years ago that this could hap-pen, and it has already begun to. Telephone operating companies are consistently replac-ing old analog lines with digital Digital telephone networks will kill off these data conversion devices. But despite predictions of an early demise the market continues to boom, reports Jane Rippeteau

creating special lines, not part of the public network, for modem, but you have to have business users.

"It was the advent of digital telephone lines that really scared people," says Peter John could eventually kill off the maturing business, add that believery where. "Business users, who might be able to lease digital structure of the last revenues out of a maturing business, add that believery time to entice buyers.

Advanced features are especially important at the top "It was the advent of digital telephone lines that really scared people," says Peter John Stauvers, market research man-

but not others, resist mixing their networks, be explains. At the same time, sales of modems to individual users bave boomed as prices dropped ager for Case Communications, a maker of modems and other At the same time, sales of modems to individual users sophisticated "thinking" bave boomed as prices dropped and performance improved. The falling price of electronic components helped drive lowend modem prices in the UK from some £300 two years ago to as low as £50 to £60 now, says Corbishley. The next expected wave "is a modem-on-a-card that snaps into the back to help managers of potential acard that snaps into the back troubles so that evasive action. data communications equip-ment. "Everybody thought the market would decline." he adds. But users proved them wrong. In particular, the expanding needs of businesses to transmit data far exceeded the pace at which tha telephone system is going digital. A few days ago in Turkey, for instance, Garanti Bank in Istanbul signed up for a \$750,000 package of high-end modems to control a network linking 100 branches to its main computer centre, according to supplier Racal-Milgo, But users proved them wrong. a-card that snaps into the back of a PC (personal computer)," says Stauvers. Tha home market "is where we expect the next spurt to he," he adds, Prices of both low and high-end machines are unlikely to

end machine are unlikely to aroda further, suppliers say. But performance will rise as strategic marketing manager at Racal-Milgo: "Digital networks manufacturers, keen to squeeze

time to entice buyers.

Advanced features are especially important at the top end of the market for business buyers, where margins are highest. Higher speed and sophisticated "thinking" troublea so that evasive action

can be taken. Motorola sees a marketing edge in competing for trans-atlantic business. To send data, businesses typically lease lines from a telephone operating company. "To leave a circuit between London and New York costs £50,000 a year," says

HOW THEY WORK AND WHY THEY WERE DEVELOPED

The public telephone network was created to carry voice, the undulating waves of sound pressure created by human speech. But as businesses data communicatians needs have soared, that network has also been pressed into service to carry omputer data Compute data though

Says Philip Corbishley.

supplier Racal-Milgo.

does not come in wave form.
It comes in a no-nonsense
series of on-or-off electrical
signals that are the basis of
the binary language computers "speak." A series

of eight on-or-off signals, for instance, describes one letter of a word.

The telephone system is gradually being changed over to digital operation. But until it is (and except where digital lines are already available), the binary data of computers aiready available), the binary data of computers has to be converted to a form that the conventional analog telephone system can carry, and back again at the receiving end.

This conversion is carried out by an electronic device

called a modem, short for modulator-demodulator. Simply put, the on-off signals are assigned corresponding tones within tha limited band of human speech

that the phone system can handle.

To do the reverse, that is convert analog speech to a digital code, the wave forms are sampled thousands of times per second and each sample is expressed in a code of 1s and 0s to recreate the original compiler description.

Walton of Motorola. "If you can get a modern that operates twice as fast, you can save a lot," he adds. To wit, Motorola last spring, in competition with et least one other supplier, introduced a model operating at 19,200 bits per second—twice the speed of a typical leased circuit machine. circuit machine.

"Modems are a growth business, but tha window is tight" pending widespread use of digital circuits by satellite and undersea cable, concedes Walton. He would not reveal the price of his company's new machine, except to note it was "an awful lot less than \$\frac{1}{2}\$ and \$\frac{1}{2}\$ are a growth business.

Another bright spot is the US market, where penetration of digital services is less than in tha UK — and bence demand for modems greater. Business users drive the demand for digital lines, and in the UK, a digital ines, and in the UK, as large percentage of businesses are in a few confined geographical areas where British Telecom is fast installing digital exchanges. By 1990, BT expects half of its local exchanges will be digital.

Despite these pockets of growth, most suppliers are still wary of their modems business, which they now predict will peak in the arry 1990s. Suppliers are diversifying into other data communications product areas data communications product areas data communications product areas data communications. duct areas, devices known as multiplexers, network terminators, data PBKs and other tools that will make the digital networks of tomorrow run.

The concept that the public telephone network will one day be digital and other to contract the second of the contract of the

Business lessons to be learned from 50 years of television

IN THE next few weeks, the by those who failed to recog-public in Britain will be nise the importance of tele-receiving more than its regular vision are now almost dosage of news about television. legendary: "well, what's the doeage or news about television.

Next Sunday, November 2, is
the 50th anniversary of the
world's first regular, high
definition public television service. The BBC's inauguration
of daily TV programmes (Sundays excepted) occurred at
3 pm on Monday, November 2,
1936 with speeches, a weather
report, a cinema newsreel and report, a cinema newsreel and a variety show featuring comedians, dancers and Chinese jugglers.

The 50-year celebrations include an exhibition at Bradford's National Museum of Photography, Film and Television, another at the Royal Festival Hall in London staged by the Museum of the Moving Image (now under construc-tion) and a 73 video screen spectacular at the Commonwealth Institute in London presented by the Royal Tele-vision Society.

The anniversary may revive The amiversary may revive long-running controversies about who actually invented television, and will certainly cause a few to fall into the trap of giving the BBC unqualified credit for a world first (the operative qualifications are "regular," "public" and "high definition"—the latter in those days a very relative days a very relative

term).

Unfortunately for the television industry, the one thing that all of this preoccupation with history may probably fail to do is to analyse past mistakes as a means of creating future strategies. History does repeat itself, and the media world is full of examples for those ready to laarn.

John Logie Baird, the man who undoubtedly made the first successful demonstration of television (in 1926) eventually

television (in 1926) eventually failed in business because he backed the wrong technology— and stubbornly refused to recognise the fact. His tele-vision system relied on mechanical scanning of the image—unlike Marconi-EMTa which employed electronic scan-

legendary: "well, what's the good of it when you've got it?" (a member of the Royal Institution, 1926); and in 1924 from AA Campbell Swinton, the pioneer of the cathode ray tube (tha right system)—"the real difficulty with regard to this subject is that it is probably scarcely worth any-body's while to pursue it."

Comments of this kind are not unfamiliar to those who have followed the more recent history of the video disc, now the subject of a book about RCA's colossal failure in that technology—RCA and the Videodisc (by Margaret

> FILM AND VIDEO

> > by John Chittock

Graham Cambridge University Press). In her analysis of RCA's research effort in developing its SelectaVision video disc system, regrettably Ms Graham does not satisfac-torily tackla the most crucial question of all, "why did it fail?"

question of all, "why did it fail?"

The history of television again the BC, whose forth-coming 20th century version of Domesday — on video disc — is soon to be lanneded.

The history of television again the BBC, whose forth-coming 20th century version of Domesday — on video disc — is soon to be lanneded.

The history of television again the BBC, whose forth-coming 20th century version of Domesday — on video disc — is soon to be lanneded.

This remarkable project will provide on two video discs a vast computer-controlled library of information about Britain in the capacity—while the main rival, Philips optical system, was (and remains) an open-ended technology.

The failure of same and the provide of the Domesday Book, Britain's remarkable record of life in towns and villages. Enter again the BBC, whose forth-coming 20th century version of Domesday — on video disc — is soon to be lanneded.

This remarkable record of life in towns and villages. Enter again the BBC, whose forth-coming 20th century version of Domesday — on video disc — is soon to be lanneded.

This remarkable record of life in towns and villages. Enter again the BBC, whose forth-coming 20th century version of Domesday — on video disc — is soon to be lanneded.

The failure of this column on the project will provide on two video discs a vast computer-controlled library of information about Britain in the provide of the project will provide on two video discs a vast computer-controlled library of information about Britain in the provide of the project will provide on two video discs a vast computer-controlled library of information about Britain in the provide of the

The failure of some people in the 1920s to recognise the potential of television—a totally new medium which could not be assessed by reference to school teacher, librarian, even advertising agency will, find the country of the coun

Love BICENTENARY Two centuries strong and building 1786 // 1986

material and interact with it as easily as turning the pages of a book. Or, again as this column described it, combining the fluency of moving pictures with the flexibility of the com-

Fortunately for Philips, even though the concept of the interactive video disc had no previous culture to draw upon there were enough users around in the 1970s who recognised the potential of this new medium. new medium.

new medium.

Despite what the cynics said about the video disc, it has now undoubtedly arrived and is here to stay; not as RCA promoted it, a consumer product for watching movies, but as a versatile system quite unlike any medium we have experienced before. Lloyds Bank, British Telecom, the US Department of Defence; museums around the world, universities, medical schools—these and hundreds of other organisations are now committed users.

The lean to consumer recognitions

The leap to consumer recognition has still to be made. But another bit of history repeating itself may shortly help the video disc to clear that hurdle. This year is the 900th amiversary of the Domesday Book,

and a treasury of pictures and facts about Britain's villages,

minstors, data PBXs and other tools that will make the digital networks of tomorrow run.

The concept that the public telephone network will one day be digital and able to carry a variety of services, including voice, data and even video, is known as ISDN (for integrated services digital network). But until it exists, says Walton, "anybody on the old analog natworks who wants to do data communications has to have a modem."

Trecognise the fact. His telebe assessed by reference to vision system relied on mechanical scanning of the vision system relied on mechanical scanning of the vision system relied on existing experience—was also advertising agency will find it wiston system relied on mechanical scanning of the vision system relied on mechanical scanning of the vision system relied on existing experience—was also advertising agency will find it hard to resist. The official which employed electronic scansing of the programmes there is viewing movies—a rival to the avoid dead-end technologies. VCR, even television—when in system has been chosen, lesson to do with these media at all. The programmes there is viewing movies—a rival to the programmes there is viewing movies—a rival



NAS "4" FIRST CLASS IS AVAILABLE TO ASSTERIAM IN DUBAG IN FRANKFURT IN RULLA LUMPUR IN LONDON IN LOS ANGELES IN MAURAS IN MELBOURNE IN PARIS IN TYLINEY IN TOKYO IN FOR RESERVATIONS CONTACT. YOUR RESERVATIONS CO ALLIANZ, HAUS, AN DER HALPTWACHE 7, 5000 FRANKFIRT AM MAIN | WEST GERMANY TEL 1169 29 53 45 4 5

Malaysia, a paradise for sun and sea lovers, offers you endless stretches of beautiful, palm-fringed beaches, Crystal-clear waters teeming with colourful coral and aquatic life.

If you enjoy our beaches, you'll love our long stretches in MAS B747 First Class. Our 'Easy Sleepers', the most luxurious of all airline seats, are fully reclinable and body-contoured to give endless comfort.

FLY MALAYSIAN. WE'LL TREAT YOU LIKE GOLD.



And finally, the complete picture.



If you've ever puzzled over the name U-BiX, we'd like to put you in the picture.

For years, we've been known as makers of the most reliable copiers in the business, but you probably don't know about our new range of office equipment.

Fax machines, word processors, personal computers, and electronic filing are now as much a part of our business as photocopiers.

That's why we decided it was high time we changed our name.

So from October 1st, we'll be known as Konica Business Machines.

Now you might be wondering what Konica (more famous for their cameras) have to do with U-BiX, and office equipment.

Well, quite simply, both Konica and U-BiX share the same parents. A company called Konishiroku.

After years of working alongside each other, contributing and swapping ideas, it seemed silly not to use the same corporate identity.

After all, both sides have made significant breakthroughs in their similar fields.

Konica for instance, developed and produced the world's first 'through-the-lens' automatic exposure SLR camera. They also produce their own high quality colour film.

And together with our background in consistently excellent copiers, we are about to launch a revolutionary new full colour copier.

Of course this is only one part of our extensive range of office equipment, which includes high quality products right across the board.

Understandably, we're quite proud of our new identity and to celebrate, for a limited period, we're giving away a free camera with every new photocopier or fax machine.

So to complete the picture, just fill in the coupon below and we'll send you the new Konica

Business Machines brochure and a free 35mm. Konica colour film.



Basildon, Essex, SS14 3AR. Tel: Basildon (0268) 27872 o	U.K.) Ltd., 6 Miles Gray Road, r dial 100 and ask for Freefone Konica U-BiX. ange celebrations. Please send me a brochure ur film.
NAME	POSITION
COMPANY	
ADDRESS	
1	TEL NO.
KONICA BU	SINESS MACHINES

North Sea

'holding up

well to oil

price fall'

THE NORTH SEA is holding up

better than other offshore areas in

esponse to the collapse in the oil

price, Mr Alick Buchanan-Smith.

Energy Minister told a petroleum

geology conference in London yes-terday, Lucy Kellaway writes.

Mr Buchanan-Smith said that no company had yet approached tha Government to ask to be released

from its commitment to drill wells

because of the low oil price.

The actual level of exploration ac

gether there had only been 10 fewer

wells drilled this year than last, and

three significant discoveries had al-

so been made.

□ IBM, the world's largest computer company, has abandoned plans which would have meant up to 300 new jobs in Swindon, 70 miles west

of London, in the next four years. They are now to be created in Ha-

vant, near Portsmouth, where IBM

already has a large south coast manufacturing plant IRM said the decision was made in order to save

on support services. The company

has recently launched a worldwide

cost-cutting drive because of a slow-

down in sales of some of its main

CONSUMER law needs tightening to end deaths and injuries caused by dangerous products, especially toys, the Government's consumer watchdog said. "There are

gaps in the armour of protection

necessary for the consumer," said Mr Michael Montague, chairman of the National Consumer Council. Children were still being exposed to

dangerous goods and toys, many of

D SMOKE HOODS, which could bave saved most of the 55 people who died in last year's Manchester air disaster, should be standard

equipment on all passenger sircraft by the end of next year, Mr Edward

Trimble, the senior inspector of ac-cidents at the Department of Trans-port, told a conference in Aberdeen.

drilling

BBA cuts 600 more jobs at parts plant

BBA GROUP, the UK public company which recorded the second fastest growth by market capitalisation in 1985-86, yesterday announced a further 600 redundancies

growth by acquisition which began in 1984 following the arrival of Dr John White as managing director.

Several analysts were yesterday marking down their profit forecasts at its Leamington automotive com-

The plant which makes brakes. clutches and steering joints was part of Automotive Products (AP) acquired by BBA last January for £98m. BBA announced the shedding of a first round of 400 jobs at Leamington six weeks ago.

However, the BBA management denied that the 1,000 redundancies reflected a more serious position than expected at AP and blamed the rationalisation on "the rapid significant decline in the sales in the UK market for automotive com-

The sharp fall in sales - which has already hit several other engi-neering groups including GKN and 1990 have reduced the total number

marking down their profit forecasts for BBA, Quilter Goodison, for example, reduced its pre-tax profit estimate from £34m to £22m. The share price has been falling heavily for some weeks and in particular after a £69m rights issue in August. The main cause of reduced sales has been the decline in the number of cars built in the UK, from 575,705 in the first half of 1985 to 519,840 in the first half of 1986.

● A total of 700 jobs at Shell's Stanlow oil refinery in Cheshire, northwest England are to be lost over the next three years, the company said yesterday. The redundancies come on top of the 1,000 jobs already lost Lucas – is likely to end BBA's rapid of employees by half to 1,700.

Takeover Panel censures AE advisers over shares purchase

BY DAVID GOODHART

THE TAKEOVER Panel yesterday directed one of its sharpest cen-sures for several years at the mer-chant bank, Hill Samuel, the stockbroker, Cazenove, and the Midland Bank. It also allowed Turner & Newall (T&N) to renew its bid for engineering group AE without having to wait the usual 12 months.

The panel's announcement, which ends three weeks of speculation, was welcomed by Sir Francis Tombs, T&N chairman, but be said that no firm decision on whether to re-bid would be taken until the state of the market could be more clearly judged. T&N failed in September by only

I per cent to win more than 50 per cent of AE, but soon after the bid had lapsed T&N's merchant bank, N.M. Rothschild, complained to the panel that it bad been unfairly blocked in the buying of shares in the final days of the bid.

It accused AE - and its financial

advisers Hill Samuel and Cazenove of breaching panel rules by failing to disclose that associates had been buying AE shares while covered by an indemnity agreement. The panel upheld the Rothschild

growth in fiscal 1985, and their

spending programs for fiscal

1986 have been revised down-ward from 4.3 per cent in the

May survey and 4.7 per cent in the February survey. Capital spending by the manufac-

turing sector is especially affected by the strong yen's

deflationary impact. According to the Bank of Japan quarterly

survey, capital spending

programs by both materials

and processing type industries have fallen below the year-earlier level.

Corporations are still aggres-

sive in spending on new-product development and on research and development to

survive. In some processing-type industries, however, even

these spending programs have been revised downward, which

indicates the severe business

spending by the non-manufac-turing sector is projected to in-

crease briskly in fiscal 1986, partly due to power utilities'

large-spending programs. As there are many industries that

benefit from the yen's rise or

lower oil prices in the non-

manufacturing sector, they are

expected to provide many joh opportunities and to underpin

Taking a look at the overseas

situation, although the U.S. dollar has weakened against

the yen and the West German mark, the U.S. trade deficit has

vet to improve and actually registered an all-time high of

5th billion in July. Also, the U.S. trade gap with Japan reached \$5.5 hillion. Thus, the

trade tensions are further in-

tensifying.

Behind the expanding U.S.
trade deficit lie the following
situations besides the J-curve
effect: 11 Japanese and Euro-

pean corporations are keeping

Japan's economy.

Trade friction

claims but emphasised that AE had not known about the actions taken on its behalf. Nevertheless, the panel concluded that: "AE could not be dissociated from the actions of its principal advisers "

After the panel came to this decision earlier in the month AE, Hill Samuel and Cazenove all separately appealed against it. However the appeal committee of the panel, chaired by Sir Henry Fisher, yes-terday upheld the panel's findings. The panel's original statement

pointed to two major transactions which it said were in breach of its rules. In the first Hill Samuel Investment Management (HSIM) the manager of the AE pension
fund - entered an agreement with
the Hill Samuel Group (HSG) in which HSIM agreed it would not sell its shares to T&N "and HSG agreed to make good on an eventual sale any shortfall between the price

received and 240p."

The full panel concluded that the transaction constituted a "dealing" falling within the provisions of Rule 8.1 which requires disclosure of any dealings by the company being hid for and its associates. It added: 'The

panel is at a loss to understand how HSG came to that conclusion (that disclosure was not required) and deplores the fact HSG did not test that conclusion by consulting the

panel executive as the code urges." The second major transaction in volved a deal between Hill Samne and two clearing banks, of which Midland Bank was one, under which the banks agreed to buy AE shares and Hill Samuel agreed to indemnify the banks within certain limits against any loss on the re-

The number of shares purchased by Midland came to a fraction under 5 per cent. That stake, along with the 2.3 per cent owned by HSIM, were placed by Cazenove at 201p a few days after the bid lapsed

The panel repeated that it was again "at a loss to understand how it could have been concluded that there was not a requirement to disclose." It added that while Midland may be a principal banker to AE the transaction could "by no stretch of interpretation be described as falling within normal commercial banking services."

Conservatives may not fill Archer's position in party

BY PETER RIDDELL, POLITICAL EDITOR

CONSERVATIVE LEADERS yesterday decided that Mr Jeffrey Archer would probably not be replaced as deputy chairman of the party after his dramatic resignation

His job as deputy chairman since September last year was mainly one of touring Britain and attend-ing party meetings and events (318 n a year) to rally the faithful. He had few administrative responsibil-

ities at Conservative Central Office. Mr Archer's resignation followed tions in the News of the World and his admission of "lack of judgment" in offering money to an alleged prostitute whom he claims ever to have met in order to avoid

Mrs Margaret Thatcher, Prime Minister, and Mr Norman Tebbit, the Conservative Party chairman, both believe there is no urgency in replacing Mr Archer since his role was special and reflected his talents as a speaker.

The message yesterday from both Downing Street and Conserva-tive Central Office was one of personal sympathy, but that an unhap-py chapter has closed and life must

This was also the view of most Tory MPs who regard the resigna-tion as a bizarre but probably isolated incident and hope there will be no lasting political implications. But some members concede that there could be underlying damage in view of the Conservative Party's emphasis on family life and values,

especially following the departure of Mr Cecil Parkinson as Party chairman three years ago. Mr Parkinson admitted having an affair with his secretary who later gave birth to his child.

The Conservative leadership's problems at Central Office have heen made easier by the appoint ment in the September restuffle of a joint deputy chairman alongside Mr Archer to oversee the organisational side.

The leadership's desire to take Mr Archer out of the limelight was reflected in the sudden disappear apparently agreed to go ahead with a meeting in the New Forest today.

However, it was later announced by Mr Tebbit that Mr Archer had asked to be relieved of his party speaking engagements for the time being in order to spend time with his wife and children.

In their few public comments To-ry MPs rallied round Mr Archer, whatever their previous private doubts about his appointment.

Mr Ivan Lawrence said Mr Archer had "succeeded magnificently" and had done a very good public relations job.

Sir Anthony Grant said Mr Archer had taken the honourable course of resigning at a very early stage. There was general relief that Mr Archer's quick action had spared the party a continuing embarrass ment and controversy.

Labour wins court fight over candidate

BY RAYMOND HUGHES, LAW COURTS CORRESPONDENT

night to have won the battle over who should represent the party in the by-election in the Merseyside

Yesterday it defeated two more legal moves by the Knowsley North Labour Party to challenge the decision by the national executive com-mittee (NEC) to endorse Mr George Howarth's candidact.

The High Court refused to grant

the Knowsley perty an order that there should be a trial this week of its claim that the NEC exceeded its powers in barring the selection of Euro MP Mr Leslie Huckfield and imposing Mr Howarth as the candi-

Mr Jusice Hoffmann said that, for practical purposes, there was no need for a decision this week, because it was unlikely in the extreme" that the NEC, which has the final say on candidates, would endorse anyone other than Mr Howarth, whom it had already put before the public as the Knowsley

It would, to say the least, make the Labour Party look extremely foolish if it did so, the judge said. Last night the Court of Appeal refused the Knowsley party leave to appeal against that ruling. Sir John Donaldson, the Master of the Rolls,

said that Mr Justice Hoffmann had

THE Labour Party appeared last had to carry out a damage limitation exercise." He had had to make a difficult decision "and I am not the by-election in the Merseyside prepared to say he was wrong," Sir constituency of Knowsiey North on John said.

Lord Justice Dillon said the Knowsley party was trying to get round its decision last week not to appeal against an earlier refusal by Mr Justice Hoffmann to grant temporary injunctions stopping the NEC acting on its resolutions about the Knowsley North selection.

Last week's order was sough jointly by the local party and Mr Huckfield, Mr Huckfield, however, took no part in yesterday's court moves and Sir John Donaldson commented that there appeared to bave been a split between him and the local party about the course the litigation should take.

Mr Roger Henderson, QC, for

Knowsley, had argued that it was being denied natural justice in not being allowed a say in who should be its candidate.

Mr Alexander Irvine, QC, for the Labour Party, said that a trial this week, when the election campaign had started and there was a Labour candidate "up and running," would make a shambles of Labour's cam-

He raised the "horrifying spectre" of nominations closing next week and Knowsley being without a candidate if a trial were ordered.

He said the hoods would be the cheapest way of saving passengers' lives and should add nothing to the price of air travel.

CI PRIVATE Enterprise has been given a role in the Department of Energy's research into extracting power from hot rocks deep under ground. Mr David Hunt, the junior nergy Minister, told MPs that Rio-Tinto Zinc and Taylor Woodrow

ermal research study, and he hoped other companies would participate in the run-up to major decisions on the future of the project next year. D ALMOST 11,000 jobs have been created with the help of British Coal Enterprise in areas hit by min-ing closures, Mr Peter Walker, the Energy Secretary, told the Commons. He said that £16.8m had been spent on 791 projects. It was hoped that 25,000 jobs would eventually be created with the £40m allocated by

the Government.

UNIONIST leaders in Northern Ireland ruled out any form of indus-trial strike to mark the first anniversary on November 15 of the signng of the Anglo-Irish Agreem Instead they called on those opposed to the accord to turn up for a rally outside Belfast City Hall on the anniversary, which is a Satur-

I THE NHS would save more patients' lives and millions of pounds if labels on pill and medicine bottles were written in plainer English, it was claimed. The Plain English Campaign is warning health minis-ters that up to £300m a year may he wasted because patients do not take medicines correctly or, at all.

LI THE FIRST new petrol brand in the UK for 17 years was launched by Kuwait Petroleum International The brand, called Q8, was unveiled last month in Europe, and arrived at 30 service stations, mainly in Yorkshire and Humbers

☐ A 40-ACRE section of the Ministry of Defence's airfield at Farnborough, Hampshire, is to be developed at a cost of £60m for use by busi-

(Advertisement) DKB ECONOMIC REPORT October 1986: Vol. 15, No. 10

Sluggish investment and export fall push economy into downward slide

caused by the special factors. Under the voluntary restraints

on car exports, auto exports are usually concentrated in the

April-June period. Actually, exports fell 5.5 per cent in the

first quarter and 7,7 per cent in

the second quarter from the corresponding periods of 1985.

trial production is stagnating as well, seriously affecting the

employment situation. In July, the unemployment rate rose to

joblessness topping 3 per cent for the first time. What is

worse, the rise in male jobless-ness was mostly explained by

involuntary memployment. These circumstances seem to

correspond to the change in corporate employment strate-gies from the conventional

method of shortening overtime working hours to cutting back

Due to slack exports, indus-

"The economy is keeping a firm undertone but its growth pace is slow, said the Economic Planning Agency in its monthly economic report in August. Notably, the EPA omitted the word "expansion" In the August report, although it had been using the phrase "slow economic expansion" until the July report. It can be said that the EPA now con-siders the economy to be

Such a view is already widespread among private econ-omists partly because some e indicators showed signs of sluggishness at a much earlier stage. For instance, the Index of economic indicators. an important measure of business assessment announced monthly by the EPA. supports began a gradual downward slide in the second half of 1985.

Slow GNP growth

preciation of the yen is creating deflationary signs in the Japa-nese economy. The real gross national product in the second quarter of 1986 grew only 0.9 per cent from the first quarter.

By demand, sluggish private capital investment and exports proved to be a drag on secondquarter growth. Although exports in the second quarter picked up 1.8 per cent from the first quarter, the increase was

Two aspects of capital

Sluggish Industrial production is leading to lower capacity utilization in the manufacturing sector, resulting in a sharp slow-town in the growth of corporate capital spending. According to the Bank of Japan's quarterly survey on the short term business outlook in August, corporations' capital spending will increase 3.4 per cent in fiscal 1986, down sharply from the 9.0 per cent

Corporate Capital Spending

i rear-to-year 76 change	; as or A	rogust 1:	266)
	FY1984	FY1985	(planned)
Major companies	. 4.0	9.0	3.4 (4.3)
Excluding power utilities	. 10.2	12.3	-2.2 (-1.0)
Manufacturing industries	, 13.4	13.2	-6.1 (-4.5)
Materials industries	. 2.2	12.5	-6.1 (-4.9)
Processing industries	. 22.3	13.7	-6.0 (-4.2)
Non-manufacturing industries		4.5	14.8 (14.7)
Power utilities		1.6	17.6 (17.6)
Excluding power utilities		9.5	9.8 (10.1)

Source: Bank of Japan, "Quarterly Survey on Short-Term.

Business Outlook tAugust 1986; major com-pames!" Figures in parentheses indicate spending plans in

dollar-based export prices low to prevent their overseas market shares from declining: 21 although the U.S. dollar has depreciated against the yeo the May survey.

London Branch: 4th & 5th Floors, P&O Bldg., Leadenhall Street, London EC3V 4PA, England Tel. 01-263-0929 Subsidiary in London: Dar-Ichi Kangyo International Limited, Garden House, 18 Finsbury Circus, London EC2M 7BP, England Tel. 01-920-0181 Associated Companies in London: Associated Japanese Bank (International) Ltd., European Brazilian Bank Ltd., International Mexican Bank Ltd.

Head Officer 1-5. Uch sawkaicho 1-chome. Chiyodo-ku, Tokyo 100, Japan Tel. (03) 598-1111 Branches and Agency in: New York, Los Angeles, Choops, Panatra, Dissectori, Opee, Seoul, Singapore, Hong Kong Representative Offices in Housion, San Francista Adams, Terrins, Sio Paulo, Mexico Cay, Caracas, Buence Area, Panatra, Pans, Madrid, Spotholm, Milano, Bahran, Jakarsa, Kuala Lumpur, Bansjick, Beyins, Shanghai, Guangshou, Dalen, Sydney, Melbourne Subsidieries in: New York, Los Angeles, Toronto, America Smith, Lucembourn, Hong Kong, Singapore, Sydney Associated Compenies in: São Paulo, Hong Kong, Bangkok, Amsterdam, Zurich, Lucembaurg, Hong Kong, Singapore, Sydney As Singapore, Kuda Lumpur, Jokana, Brunei



tic demand, has yet to start

strong growth, To enhance con-sumer confidence which has

cooled off because of unfavor-

able business prospects, it is necessary to lower commodity prices, and actually pass on the

triple benefits to consumers

through the establishment of a

Second, it is necessary to

change the flow of money from

in real assets. Japan's credit

of 1986, with the money supply growing faster than the actual

Because of unclear business

and exchange-rate prospects,

however, corporations bave

assets and instead have been searching for high returns on

has been relaxed since the start

freer market mechanism.

and European currencies, it has not fallen against the currencies of Asian NICs, Canada and some other nations; and 3) the dollar's past strength has weakened the U.S. industry and created a structure where a arge part of domestic demand

is met by imports.

Therefore, adjustment of foreign exchange rates among industrial countries alone is unlikely to lead to substantial correction of trade imbalances. As the U.S. trade deficit is largely responsible for the sluggish American economy, pressure ou Japan to spur domestic demand or strengthen the yen further is expected to increase because Japan consurplus in dollar-based prices.

Measures to stimulate domestic demand

Japan is thus in a difficult position both at home and abroad. Now that Japan cannot expect export-led growth, the important key to economic recovery seems to be creating more domestic demand. In this process, the following direc-

as soon as possible. New housing starts are retaining upward momentum, growing the early benefits of lower interest rates and declining construction materials prices.

tions are worth attention.
First, it is important to pass
on the "triple" benefits of the
strong yen, cheap oil and low interest rates to the economy 4.7 per cent in June from a year earlier and 13.5 per cent in July. This is considered one of However, personal consump-tion, the main pillar of domes-

and other speculative investments. With demand for liquid funds increasing, the outstandnotes is expanding charply. Therefore, Japan oceds to make efforts to stabilize foreign exchange rates so that corporations can see brighter business prospects and resume active capital investment.

stocks, land, golf me

while trying to pass on the benefits of the strong yen, cheap oil and low interest rates so as to perk op domestle In order to offset the mighty yen's deflationary impact and thereby set the economy on an expansionary course, both the Government and the private sector should work out measures to spur domestic demand and implement them

Talk it over with DKB. The international bank that listens.



The next DKB monthly report will appear Nov. 24.

The Financial Times apologises to regular followers of DKB's monthly Economic Report which should have appeared on Friday, October 24—due to production difficulties it now appears today,



POWER WITHOUT PROGRAMMING **WORLD ECONOMIC INDICATORS**

Call 04868 25925 for brochure

every Monday–Only in the Financial Times

DELTA'S BUSINESS CLASS TO THE U.S.A DE SEATS ARE LONG ON COMF

Relax in the lap of luxury. With plenty of room to stretch out and get comfortable. And a separate cabin area that are available in First Class. provides greater privacy.

Enjoy a choice of gourmet entrees and desserts. Fine wines and champagne.

Enjoy luxurious Medallion Service in Business Class and First Class. Sleeper Seats

For reservations, call your Travel Agent. Or call Delta in Frankfurt on 069 25 60 30, in

DELTA. THE AIRLINE RUN BY PROFESSI

Munich 12 99 061, in Stuttgart 22 62 191. Delta Delta flies nonstop from Frankfurt to Ticket Offices are at Friedensstrasse 7,6000 Atlanta and Dallas/FtWorth. We have conven-Frankfurt/Main. Maximilianplatz 17, Munich. ient departure times to both cities. Koenigstrasse 1B, Stuttgart. Schedules are subject to change without notice.

WHO'S REALLY GOING TO GET THE MOST OUT OF OUR NEW INVESTMENT?



TEMOTHY AEVAN

Theretays is one of the world's largest banks and one of the most profitable. My job as Chairman, is to ensure that we remain so not just today but in the future doe

The distance have to keep ahead or the over changing needs of both different persie and personal customers. I see four major my estment in Park layers. Acets Weak as being an essential part of that thulesophy.

Throughout andosity here in the UKs and around the world banks corporate dients are turning to the capital markets much the inclegatedy termed Sectionisations of debt as alternatives to more conventional lines of thanks Particular expertise is needed to intermediate between issuers and investors.

Through Burchiys de Zoete Wedt, ibe group can now deliverskilled and widely experienced securities based services through ourworldwide network.

personale another example our millions of personale instruments with also benefit from BZWS lose lacks with the stock market. We will seen be arreaducing a fest maspersive share dealing service itimately on high street branches.

The small investor to clear from easily and more economically my a large aromber of stocks and shares

These are restaint specific examples of the improved service will shall be oftening to ensure that Barclays stays in front. There will be considerable benefits for both austemors of and investors in Barclays bank from our involvement in Barclays the Zocte Weld?



MARTIN JACOMB

"As Chairman of Barclays de Zoete Wedd, my role is to ensure that we deliver, both to clients of the Bank and to major institutions, services that are complementary to, but different from, those of our parent.

Distinctions are becoming increasingly blurred between different but similar intermediaries in the global securities market. And in a financial world that is also global in both its outlook and the scale of its financial needs, there is an increasing requirement for an investment banking group with equivalent human and financial resources:

Wedd of one of London's top stockbrokers and major market makers, an innovative merchant bank, proven investment management and the resources of the Barclays group will in my view, meet that need.

"In fact, I believe that our alliance will very quickly prove an invaluable asset to all those clients who are already familiar with the individual parts of our organisation.

"And, of course, I believe it will also be a rewarding investment for the entire Barclays group"



BARCLAYS de ZOETE WEDD

THE INVESTMENT BANKING ARM OF THE BARCLAYS GROUP

Ebbgate House, 2 Swan Lane, London EC4R 3TS, Tel: 01-623 2323.

UK NEWS

Andrew Taylor and Paul Betts assess the funding blow to Eurotunnel

Investors cast tunnel gloom

problems almost since Eurotunnel won the concession in January to build the 31 mile-long rail tunnel between Britain and France.

On Friday the consortium was forced to admit that it was still short of the £206m target for its international share placing which is

due to be completed this week. Earlier differences over the terms of construction contracts meant that the proposed placing had to be postponed and the signing of loan agreements for more than £5bo delayed. Eurotunnel shareholders and se-

nior executives yesterday were in-volved in a desperate bid to rescue the placing with the prospect that the project might fall at the first

If the placing does not succeed the loan agreements with around 40 international banks will be in jeopardy. At the root of the consor tium's problem is the failure of British institutions to support the scheme in sufficient numbers.

The alarm bells started ringing on Friday lunchtime when it be-came clear that the consortium

The shortfall is thought to have been only around £10m, but the reluctance of British institutions to support the issue was already hav-ing repercussions in the US where institutions had been starting to get

cold feet about the placing.
The £20m Eurotunnel had hoped to raise in the US may now he in oubt, with major US institutions

ATTEMPTS TO finance the Chanuntil they see how the rest of the struction costs could overrun and placement. These are understood to placing fares between now and 2pm traffic forecasts might not be met cording to the prospectus, the deadline for payments closes. Technically, however, the banks can go on offering the shares until Friday.

It appears that the strong line taken by a number of British merchant banks against the project has been filtering back to New York and this has made the task of Salomon Bros, which is handling the US is-

sue even more difficult. which manage funds or advise pension fund trustees has generally been that the project is too risky, and the pay back date too far ahead while investment

More than 40 British institutions have pledged support, ranging from £500,000 to £5m. They are mostly independent funds, many insurance groups which have been prepared to take a longer term view of the tunnel and its risks.

The outcome was foreshadowed

in a survey of 25 of Britain's largest institutions conducted by the Fi-nancial Times in July. This showed that only six funds, the majority of them insurance groups, were pre-pared to invest in the tunnel.

Investment managers at 10 funds said they would definitely not in-vest, and two thirds of the nine which were undecided thought it

unlikely they would participate.
Reasons given for this rejuctance
were the high risk of the venture
and the fact that first dividends would not be paid until 1993 when

particularly if cross-Channel ferry operators staged a rearguard action. If a costly financial rescue had to be launched, either by government or by the banks, equity investors could suffer badly in any recon-

concern about passenger safety and the tunnel's security against terrorist attacks. There were also fears that investment made now could be lost if a British general election intervened or if the Channel Tunnel Bill was defeated in Parliament.

These doubts have not enhanced the tunnel's credibility either at home or overseas. If British invesernment support for the project, why should foreign funds risk their

Eurotunnel, outside Britain and the US, is seeking to raise another £70m in France, around £20m in Japan, where Nomura is handling the ssue, and the remaining £20m or so to be garnered from the rest of the

ders in the consortium, drawn as in Britain from mostly construction and banking groups, have been watching with dismay as the Brit-ish end of the placing has, so pub-

licly, run aground.

Bankers managing the French
portion of the issue were confident
yesterday that they would complete
the FFr/00m French issue. However, they said that a number of major groups had not yet confirmed pledges and some were still hesitatmentary control, and the AGE state

privatised next year. It would be a blow to Eurotunnel if the Caisse des Depots did not subscribe although the promoters ex-pect any shortfall to be made up by other groups. The issue continues to provoke little, if any, public de-bate in France. The feeling in Paris is that the main obstacles remain squarely on the UK side of the

In Japan the placing is thought to be virtually complete and it would be surprising if £20m could not be raised from the rest of the world. It is in Britain where the pressure is being really feit. The Bank of England, disappointed at the lack of support, is understood to have been lobbying institutions to see if they would be willing to reconsider investing in the project. It has apparently persuaded one fund to change its mind and subscribe to the issue.

Broackes, chairman of Trafalgar House, the construction, shipping hotels and property group to join ecutive director is another sign of the consortium's recognition that it needs to breathe new life into the

project.
Sir Nigel, a strong supporter of the consortium, even though it defeated a rival Trafalgar House proposal to build a road and rail link across the channel, will be expected to use his energy end enthusiasm to improve the project's rating

Circulation of

new paper is

Lufthansa woos business travellers

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

A battle this winter between UK er-fare business-class travellers on short-haul international routes is now likely to emerge, after a decision by Lufthansa, the West Ger-man airline, substantially to im-prove its business class service from November 1.

One immediate result is that British Airways is studying its own business class standards, and may

The battle will not be over fares, pitch - the distance between one seat and another which governs the legroom. Lufthansa is increasing it by up to 2in to 34in as standard -the best of any short-haul airline in

At the same time, Lufthansa will offer all business class travellers the right to reserve a specific seat, and it is distributing detailed seat-

BY DAVID BUCHAN

ROYAL ORDNANCE (RO), the

a rationalisation that is clearly

aimed at making the business more

attractive to private huyers.
Yesterday's announcement of the

reorganisation follows a two-day briefing of more than 100 senior

Royal Ordnance managers last

week in London. The move is

prompted partly by the recent sale of the RO tank-making factory at Leeds, Yorkshire, to Vickers but

nainly - according to a company

statement - to make RO "more firmly focused on products and their customers and able to respond to the market place workfwide."

travellers can select the best seats on a first-come, first-served basis. of seats to provide more comfort and a new decor inside the passen ger cabins. In addition, passe

especially to Northern European

State munitions group

reorganised for sale

will receive a full meal; breakfa lunch or dinner. Business travellers form the ma jority of all European passengers

The reorganisation involves no outside management recruitment

and will apparently not affect the level of RO's 16,500 workforce. The

headed by Mr Harry Butterworth,

who runs the present ammunition

division, and the naval, air and enginearing division will be headed by Ron Goldsmith, whose existing weapons and fighting vehicles divi-

sion has just lost its Leeds factory

distributed to various companies, but so far none seems interested in

buying the whole company, only

Since that sale, the Government has been trying to interest private UK buyers in acquiring the rest of RO. Memoranda of sale have been

to Vickers.

holding up THE circulation of The Independent, the new quality newspaper, appears to be holding up well as it enters its fourth week today.

Distributors believe the paper is selling around 375,000 a day but said that it may not yet have "bot-

The circulation figure is ahead of the prospectus target at this stage which envisaged a sharper decline following the initial curiousity and then a long haul next year back to a financially viable figure of 375,000

Mr Douglas Long, managing director of The Independent, said yes-terday he believed the paper was now selling between 350,000 and 400,000 and that there were signs last week that it had "platforme

The print order was now 475,000 and, apart from London, sales were going particularly well in Scotland. Nearly 10,000 copies a day are also being sold in cities such as Paris, Amsterdam, Madrid and New York. "We have achieved in a short

space of time a remarkable degree of acceptability within the ABC1 groups," Mr Long said.

Today, Britain's other new national acceptability within the ABC1 groups," Mr Long said. tional newspaper, said its new game Scoop had boosted circulation by around 30 per cent on Saturday – its first day. Scoop is a numbers game linked to the news



Consultancy

Tel: 01-390 0141

International Ltd

Telex: 268798 PROTEC G

When Millions

Hang On Your Word ... Make Sure It's

Recorded.

The System 8600

Call us Now

for realistic price

on 01-390 0141.

and delivery details

Dealer Voice Logging Recorder

Swiss Bank Corporation and your future capital markets.

5 years from now, you may be placing your bonds yourself.

That's the kind of thought that gives lots of underwriters nightmares. But then, free markets do keep people on their toes. In Switzerland, we sell some of our own bonds over the counter to walk-in customers. (They're called "cash bonds," and we've been doing it that way for

Think of that the next time somebody tells you how innovative the capital markets have become, or how hard it is to tell what the next new discovery

will be. In many cases, innovation is what happens when the markets catch up with a good idea. We've seen it happen lots of times. When you're shopping around for somebody to handle your next issue, remember that our placing power has a long tradition behind it. A tradition of new ideas. Remember, too, that if you let us handle one of your transactions, we'll have every intention of seeing you again. That's one of the best ideas we've ever



Swiss Bank Corporation Schweizerischer Bankverein Société de Banque Suisse

The key Swiss bank

General Management in CH-4002 Basie, Aeschenplatz 6, and in CH-8022 Zurich, Paradeplatz 6. Over 200 offices throughout Switzerland. Worldwide network (branches, subsidiaries and representatives): Europe: Edinburgh, Frankfurt, London, Luxembourg, Madrid, Manchester, Monie Carlo, Paris. North America: Atlanta, Caigary, Chicago, Houston, Los Angeles, Montreal, New York, San Francisco, Toronto, Vancouver, Latin America: Bogotá, Buenos Aires, Caracas, Lima, Mexico, Panama, Rio de Janeiro, São Paulo. Caribbean: Grand Cayman, Nassau. Middle East: Bahrain, Cairo, Tehran. Africa: Johannesburg. Asia: Hong Kong, Osaka, Singapore, Tokyo. Australia: Melbourne, Sydney,

NOTICE OF REDEMPTION

ENTE NAZIONALE IDROCARBURI E. N. L.

To the Holders of

(National Hydrocarbons Authority)

6½% Sinking Fund Debentures due June 1, 1987

NOTICE IS HEREBY GIVEN that, pursuant to the provisions of the Sinking Fund for the Debentures of the above-described issue. Morgan Guaranty Trust Company of New York, as Fiscal Agent, has selected by lot for redemption on December 1, 1986 at the principal amount thereof \$625,000 principal amount of said Debentures, as follows:

ading Debentures of U.S. \$1,000 Each of Prefix "M" Bearing Scrizl Numbers Ending in the Following Two Digits:

17 . 26 72 Also Debentures of U.S. \$1,000 Each of Prefix "M" Bearing the Following Serial Numbers:

On December 1, 1986, there will become and be due and payable upon each Debenture the principal amount thereof, in such coin or currency of the United States of America as oo said date is legal tender for the payment therein of public and private debts, at the option of the holder, either (a) at the corporate trust office of Morgan Guaranty Trust Company of New York, 13th Floor, 30 West Broadway, New York, N.Y. 10015, or (h) subject to any laws and regulations applicable thereto with respect to the payment, currency of payment or otherwise in the country of any of the following offices, at the principal office of Banca Nazionale del Lavoro in Rome or the principal office of Banca Commerciale Italiana in Milan or the main offices of Morgan Guaranty Trust Company of New York in London, Brussels, Paris or Frankfurt or the main office of Algemene Bank Nederland N.V. in Amsterdam or the main office of K rediethank S.A. Luxembourgeoise in Luxembourg-Ville, Payments at the office of any paying agent outside of the United States will be made by check drawn on, or transfer to a United States dollar account with, a bank is the Borough of Manhattan. City and State of New York. Any payment made by transfer to an account maintained by the payee with a bank in the United States may be subject to reporting to the United States Internal Revenue Service (IRS) and to backup withholding at a rate of 20% if payees not recognized as exempt recipieots fail to provide the paying agent with an executed IRS Form W-9, certifying under penalities of perjury the payee's taxpayer identification number, as appropriate). Those holders who are required to provide their correct taxpayer identification number, as appropriate). Those holders who are required to provide their correct taxpayer identification number, as appropriate certification when presenting your securities for payment.

Debentures surrendered for redemption should have attached all unmatured coupoos appurtenant therefore provide the appropriste certification when presenting fou

ENTE NAZIONALE IDROCARBURI By: MOBGAN CUARANTY TRUST COMPANY OF NEW YORK, Fiscal Agent

October 28, 1986

olding a

Winter coughs and splutters. May we recommend an injection?

In the rear of course. (Or to be more precise, the fuel tank).

And the injection itself? Mobil Diesel Plus.

A brand new diesel fuel manufactured to cope with our not so great British winters.

You see, the cold has a singular effect on Diesel. It causes wax particles to form in the fuel. Which can lead to blocked filters, fuel starvation and thus breakdown.

This usually occurs at -9°C. Mobil Diesel Plus however, stops both fuel lines and filters from blocking right down to -15°C.

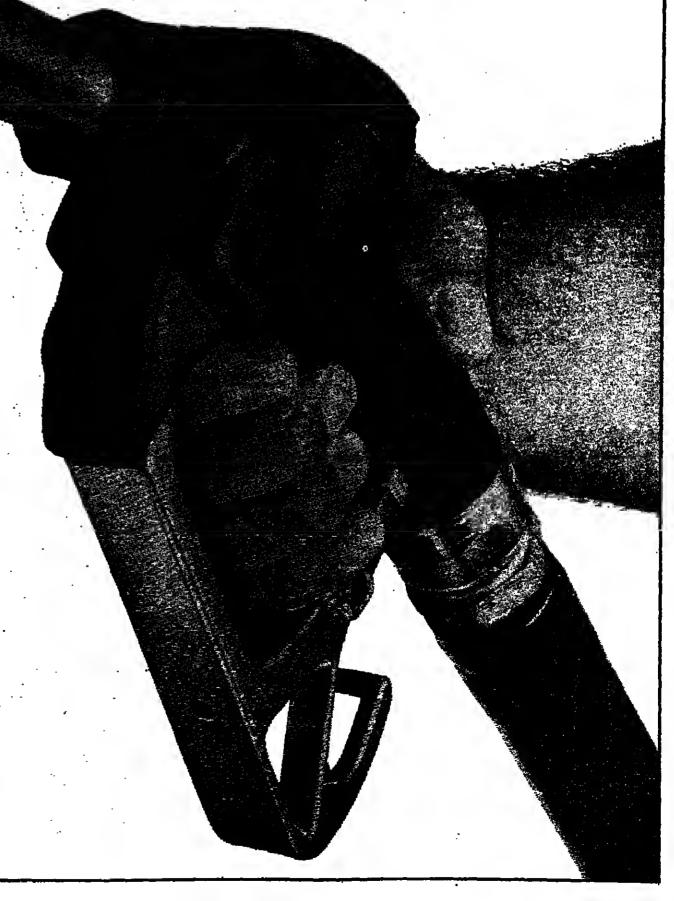
(If that seems over-cautious, temperatures last winter often fell to -14°C.)

Diesel Plus also prevents the build up of damaging deposits. Keeping your engine clean and running smoothly.

You'll be glad to know that Diesel Plus is the same price as other Diesel.

So your injections will be painless in more ways than one.

Mobil Diesel Plus. A cure for the common cold.



Bank satisfied with

operations on the

gilt-edged market

IF THE GILT-EDGED market deals. Trading in gilts futures

Just a whiff of the Somme on the trading floor start lines

MONDAY morning dawned more baiefully than usual for the City of London yesterday. After weeks of grow-ing excitement, culminating in Friday's rowdy farewell to the old-style market, the Stock Exchange finally faced Big Bang day—which threat-ened to be the day when the cheering might have to stop, and any naused ebampagne bottles be returned to the

A solid downpour of English rain set the scene for what was to be a trying day. City men reached the Square sign of their recent exuberance. "Big Bang Breakfasts" advertised by enterprising restaurateurs, but at Coates Cafe, the favoured hunting ground of the smart new breed, the mood at 8.00 am was subdued.
As the digital elocks

ficked towards market open-ing time, the professionals picked their way over the television camera cables to-wards the Stock Exchange trading floor. Paradoxically, the floor was thronged with media men but exchange members were expected to

the appointed hour.

Pre-market intelligence was bad. The Stock Exchange Topic system, which carries prices to Seaq, the very heart twice succumbed to over-loading in the crucial hour before the market opened, when the market makers must input their price quote-

There was just a whift of the Battle of the Somme as we waited on the start-line for the maroons to go off. Cheerfulness, but no jokes. Blen fidgeting with their jackets, straightening their ties.

The signal came, and on to the trading floor we went, with some of the new market makers banging their trading counters in symbolic honour

The advance into the new era hit trouble early as the Seaq computer screens failed to carry the promised dataprices and bargain sizes of deals in the major alpha stocks, and prices in the lesser traded bota and gamma issues. Deals in Hawker Siddeley, for example, were running half an bour late. Marketmakers protected

in only 1,000 shares in blue chips where 25,000 share lots are traditionally traded, or even a mere 100 shares in the gamma stocks.

Trading stands in many

financial and equity stocks carried harriedly strawled chalk messages which read, "Off-floor," followed by a telephone number — implying that this stock would be traded only by telephone from the marketmakers' offices.

"What are you doing here, then," asked one aggrieved old timer, to be met with a

move towards off floor trading also showed itself in a significant reduction of the traditional throng on the trading

A beneficiary of the pro-blems with the exchange com-puters was Smith New Court which, unlike many former jobbers, has maintained a strong presence on the trad-ing floor and advertised its readiness to deal there. The Smith pitches were busy for most of the day when Mr Tony Lewis, the chairman, said tactfully: "We have done as much business as we

The session continued on a confused note, with the Scaq screens still sometimes falling to deliver the predicted service, and traders often revert-

face dealing practices. philosophical view of the day.
At Salomen Bros, the US
investment bank, long casehardened in electronic

ing to time-honoured, face-to-The larger firms took 2

is heeding for a bloodbath, it has bad a 24-hour reprieve. The first day of trading in the new market designed by the Bank of England was, by all accounts,

un-gory and — for some of its 27 eager participants —

The normally reticent spokes-man at the Bank was even willing to be quoted: "We are very satisfied with the way the

narket bas operated so far,'

Fortunately, the market's

first day was spared any untoward external shocks. The

fears of recent weeks about a sterling crisis or an interest rate rise had receded, the pound behaved itself on the foreign exchange markets and there were no official statistics

to disturb the calm atmosphere.
Technically, the market also
began without any bias because
dealers had squared their books

at the end of last week in antici-

The biggest blow was the Stock Exchange computer breakdown which prevented market-makers, to their frustra-

pation of Big Bang.

profitable.

Trading in Government bonds appeared difficult because few of the 27 market-

makers' prices appeared on the Seag screens. But major dealing firms had no problems

in transacting business.

markets, Mr Chris Dark, head of gilt-edged sales, said the market was "slowly, softly and quietly feeling its way into the new system." Wood Mackenzie, equity market making arm of Hill Samnel, was "not deterred" by the

markets.

And so, as the weary iteor traders limped away to Orpington, Chelmsford or Coates Cafe, the London stock market remained confident that it had lived to fight another day: "But not too many like that one," said a voice from the ranks.

on LIFFE totalled just over 11,000 contracts, which is un-

that there bad been steady two-way trading in stock. Although the Seaq system was down, market-makers were displaying prices through the six desig-

nated inter-dealer brokers and other means sneb as Reuters.

There were complaints that market-makers were not quot-

market-makers were not quot-ing prices for all types of stock, as they are obliged to, but the Bank of England said it was satisfied with the range of

Although the Big Bang should stimulate much flercer competition, the spread between bid and offered rates

did not nerrow apprecially yesterday. The spreed was about 4/32 on long gilts which dealers said was little changed.

Several dealers reported that people had been "playing games" in the market: traders were putting up prices to advertise their execution capabilities or invite inquiries, but were not serious participants.

prices on display.

market-markers, to their triefstion, from putting their prices
up on the Seaq system. "This
bas been a complete blockage
to what was otherwise a reasonably good start," said Mr Jack
Wigglesworth, director of
Lloyds Merchant Bank Government Bonds.

The inter-dealer broker
system was also said to have
functioned well. The IDBs
handled about 40 per cent of
market volume. Mr Charles
Pendred, of Garban Gilts, one
of the IDBs, said: "It was very
ment Bonds."

The inter-dealer broker
system was also said to have
functioned well. The IDBs
handled about 40 per cent of
market volume. Mr Charles
Pendred, of Garban Gilts, one
of the IDBs, said: "It was very
restrained at the starts

appear to have much effect on towards the end as dealers trading itself. Activity was built up overnight positionally described as made at the start: but appear to have much effect on towards the end as dealers variously described as made at the start: but appear to have much effect on towards the end as dealers variously described as made at the start: but appear to have much effect on towards the end as dealers are appear to have much effect on towards the end as dealers are appear to have much effect on towards the end as dealers are appear to have much effect on towards the end as dealers are also appear to have much effect on towards the end as dealers are also appear to have much effect on towards the end as dealers are also appear to have much effect on towards the end as dealers are also appear to have much effect on towards the end as dealers are also appear to have much effect on towards the end as dealers are also appear to have much effect on towards the end as dealers are also appear to have much effect on towards the end as dealers are also appear to have much effect on the end as dealers are also appear to have much effect on the end as dealers are also appear to have much effect on the end as dealers are also appear to have much effect on the end as dealers are also appear to have much effect on the end as dealers are also appear to have much effect on the end as dealers are also appear to have a supplied to the end as dealers are also appear to have a supplied to the end as dealers are also appear to the end a

County Group celebrates its £30m investment

BY DAVID LASCELLES

THERE WAS novelty in the air, end ballooos everywher; et County Group's 27-storey head-quarters in Drapers Gardens yesterday, which made it feel more like e feirground than the nerve centre of one of Big Bang's biggest pleyers.

But there wes something to celebrate: yesterday was the culmination of two years of planning, nearly £30m spent on technology and the efforts of 2,000 people.

County is pert of NatWest Investment Bank, the £310m subsidiery created by the UK's lergest clearing bank out of a stockbroker, a jobber and its own merchant bank. It is one of the UK's largest integrated financial institutions. financial institutions, The verdict last night was

that day one bad gone smoothly
despite the computer breakdown—and thet some parts of
the business might even bave turned in a profit.

Mr Peter Dale, the deputy chief executive, said: "The problem with the computer could be a good thing. It creates a sense of caution."

Most people were in br Most people were in by shortly after 7 am yesterday in grey drizzle, ready for dealings which began at 8.30. "Business thatted guite contribute "contribute" contribute "contribute "contribute" contribute "contribute "contribute" contribute "contribute "contr started quite sensibly," said people are not getting a feel of executive of Couoty Securities,

BY CLIVE WOLMAN

mort Grieveson, which had moved into new, combined offices over the weekend to take advantage of abolition of the broker-jobber distinction.

equities arm of the ness. "There was a fair flow of orders from institutions to our market-makers." When the Stock Exchange systems went down, County started dealing on the tele-phone with its clients insteed of using the new-fangled screens.
"It was e bit like after-bours dealings on a normal day." Even though workmen are still

stuffing wires into ducts, County's own systems were ready on time and withstood the In the equity trading room, market-makers were edjusting to the transfer from the stock exchange floor to "driving a desk" with banks of flashing lights and green screens.
"The big difference is thet

people are not getting a feel things from the floor. Big Bang takes away the human element," said Mr Charles Peel, who manages the UK and European and of the business. He was not too sure et tee-time whether his part of the operation had made money.

"But I have not seen any trades that I am jealous of," be edded, punching buttons to bring up multicoloured displays of trading activity on his

Institutions make a

cautious beginning

calmly. Mr Rory Forrester said:
"People bave been quite sensible. There haven't been any splys around." He believed the market showed strength because the new market-makers preferred to be long on stock until they found their feet.

But if the human element But if the buman element bad gone, be was pleased with

the new equipment: "It gives us much better access to our elients. Frankly, we do not see much future for the Stock Exebange floor." His colleague Mr Mark Potashnik said: "We came in expecting the worst.
As it turns out, it has been rather enjoysble. I think wa beve made e profit,"

A few floors below the 60 people in County's new gilts primary dealership were similarly satisfied. They were having a moderately active first day, although market conditions were quite quiet.

were quite quiet.

Mr Tony Powers, its managing director, said: "We bave bad a lot of inquiries and did about 150 deals. I think we made money." By coincidence, NetWest also took the first step yesterdsy towards becoming a primary dealer in the US government bond market.

"If every day is like this, then we have got nothing to worry ebout. But it will not be," be added.

Ouiet start for Goldman Sachs

IN THE dealing rooms of after Big Bang most institutional investors made no
deals. Their general wariness
about the new market was compounded by the breekdown of
the Topic-Seaq price-informetion system.

They also hed difficulties
telephoning some brokers and
market-mekers, such as Kleinworr Grieveson, which had

they bad expected of the Stock
Exchange dealing floor as a the London-based arm of the
US securities bouse, Big Bang
was ushered in quietly, with a
measure of understatement not
American business world.

They also hed difficulties
telephoning some brokers and
market-mekers, such as Kleinworr Grieveson, which had
been taken away from the Stock
was greeted with a philo-American business world.

The breakdown of the Stock
Exchange's price quotation
system et the start of trading
was greeted with a philosophical shrug and optimism
that initial problems would be

ironed out within a few weeks.
Goldmen Sachs, which has
had a presence in London for 17 years and has built up a substantial client base, traded well below capecity, with primary dealers making prices in only a limited number of first rank equitles. The plan is to build up ectivity slowly over the next two or three months, keeping the pressure off until treders

Hanson Trust, in the earlymorning session. They also
dealt in the gilt-edged merket
by relying on the price of the
gilt futures contract which
appears on Reuters screens.

Many investors said that in

Options, futures subdued

These derivative markets ere expected to benefit importantly volume was 18,033 options. from Big Bang partly because market makers will want to Financial Futures Exchange protect themselves against the 9,374 long gilt futures conrisks they take on.

FOR THE first hour-and-a-half managers made more use than been taken away from the Stock Exchange floor.

Sun Life's purchase of Britisb Telecom sbares gave an in-teresting demonstration of how A dealer at Mercury Warburg fund managers are using A dealer at Mercury Warburg Investment Managemeot seid: egency brokers and wben they working we did not feet safe to deel. A semaphore system across the City would bave been better than this."

At Prudential Assurance managers were more confident and made one of the day's lergest deels, for 1m sheres in Hanson Trust, in the early-merching session. They also

view of the generally poor in-formation obout gilt-edged pric-cent commission. Sun Life is ing in the new market structure still planning to buy another they would be paying increasing few hundred thousand BT attention to futures contracts. shares this week, wheo market

attention to futures contracts. sbares this week, In equities other fund-conditions permit. tive manner.'

"ONE OF the last things people would be worried about today is hedging their positions," said one stockbroker expleining the somewhat subdued business seen yesterday in options and futures based on UK securities, because of the computer problems. risks they take on. treets On the Stock Exchange there traded.

At the London International

and customers bave built up their confidence in the systems. The same kind of caution characterised the first day of trading in the restructured UK gilt-edged government bond market. Business was reletively quiet and concentrated on the most popular mainstream Mr Bill Landreth, who runs

the equities operation in London, stressed the gredual approach Goldmen Sachs is taking. "We are not making stetements ebout market domination, We are going ioto It all with a humble and sensi-Mr Robert Conway, managing director of Goldman Sachs International, was at pains to play down the image of the US "Thrilled to bits" was the

houses es aggressive giants invading a defenceless City of He said he saw Big Bang not just as a chance for foreign firms to expand their inter-national business but also as a major opportunity for British firms, which were now being allowed to trade in a way that



Confusion in the provinces

CONFUSION over simple tele-phone numbers proved to be the worst Big Bang heedache yes-terday for many provincial and small London brokers.

baya taken a fraction of thet time. Delays of 15 to 20 minutes were still being reported by the firms well into the after-noon,

with familiar jobbing firms. In practice, that often meant putting their business through Smith Brothers, the market-maker that has kept the biggest

Early in the morning, irritation and despondency had sheer volume of new telephone settled over them as they connumbers issued by the new templated Stock Exchange video display screens devoid of information because of computer numbers.

But as the day wore on that was repteced by quiet astonishment that dealing was beginning to proceed more smoothly than expected. At the same time, it was felt that there should have been at least three more dress rehearsals pre-Big Bang: there was exasperation at tha difficulties faced in con-tacting unfamiliar marketmakers by telephone.

makers by telephone.

There was also resentment that some market-makers were refusing to quote in stocks they were committed to—or simply failing to answer tha tele-

BY JOHN EDWARDS

"Thrilled to bits" was the initial reaction at Lloyds Bank's new stockbroking subsidiary, which started treding in London

yesterday to deal with private

Mr Peter Minchin, managing director, sald investors appeared to beve been holding back some

client business.

One reason for this was the In some cases, trading staff working for the market-making arms of big conglomerates were also reluctant to deal inlarge quantities without referring to more senior staff.
Confusion over telephone
numbers was compounded in

the morning sessions by delays or errors in updating the new Stock Exchange Automated Quotations system. "There are so many market-

makers out there whom we just do not know — and often Seaq looks wrong," said Mr Peter Galbraith at Rensburg, the Liverpool stockbroker. He said that the firm's volume of business was about 25 per

Small-investor services' reaction mixed

REACTION TO the Big Bang the volume of orders had from the company "box" was mixed reaction yesterday reached what the firm would ex-

pect to handle during the whole of a normal day at this stage.

It made some sense to deley since stamp duty has been halved and most private investors, using bank services, are paying chesper commissions

the stock exchange computer

How did the firm cope with he said.

variously described as moderate to "pretty good," even if the market's tone was unexciting. Prices showed a slightly firming tendency during the day, with long gilts ending up about 6/82 of a point.

Although the Bank of England is now collecting detailed daily trading figures which it will crunch each night in its computers, it does not loss in a way, a relief. It gave the market a chance to ease itself in gently. On the other hand, it also means that the real test still lies ahead when the full flood of competition is unleashed and market-makers come under pressure to make real, rather than token returns, on their capital. maker that has kept the biggest presence on the London trading

Geoffrey Pemberton, Mr Geoffrey Pemberton, senior partner of the Leeds firm Howitz and Pemberton, spoke for many when be said: "If we beve a choice we are going to Smith Brothers or the Scottish firms — provided they are competitive — because it is easy to find them and they always answer the phone." Mr Tony Lewis, Smith Brothers' chair-man, emerged, in fact, as something of a bero among smaller

firms
The brokers that fared best were apparently those who had leerned from last week's dressrehearsal

One such firm, Dunkley Mar-shall, had compiled its own sim-plified market makers' telephone directory and depart-mentalised its dealers to cover particuler sectors of its busi-ness. "I could not wait to start," said Mr David Clark, its At ebout 10 am, for instance, some dealers at A. J. Bekhor, the London-based private client firm, were finding it took 30 minutes to compete a single bargain that should normally smaller brokers fell back on the floor stitutional investment business

the stock exchange floor instead of relying on screen trading and transferred back

when the screens came back to life.
Mr Jack Wigglesworth,
director of the Lloyds Merchant

Bank Government Bonds (gilts)

company, was less complimen-tary. Topic let us down badly,

The National Westminster

No surprises for Scottish financial community BY JAMES BUXTON, SCOTTISH CORRESPONDENT

exact volumes can only be guessed. Market-makers described it as about normal car at 120 mph. Fortunately no yesterday, with some of the largest reporting over 100 today."

ALTHOUGH they may have been a little weary, thanks to the extra tension and the especially early start, by yesterday afternoon major players in the Scottish financial community were giving the impression that Big Bang had not sprung many surprises on them. But there was disagreement as to bow much that new technology had much the new technology had supplanted the old.

in its computers, it does not intend to publish them yet. So

supplanted the old.
"You can see on the screen much more of what is going on," said Mr Ian Robertson, who occupies the newly created post of dealer for Standard Life, Scotland's biggest life office, "But you still have to get on the telephone to get the exact price from e market maker and to strike a deal—just as you did las! week."
At Edinburgh Fund Mana-

gers, one of the investment management houses, Mr Alex Gowans said: "The nurrher of phone calls we've received has fallen off dramatically all day. The brokers haven't been coming through. Of course we can see what's going on on the screen, but we'd still rather they pointed things out as well. I bope they won't lose the personal touch."

director, sald investors appeared the stock exchange computer to beve been holding back some breakdowns? Not too badly, stockbroking subsidiary, Field-the market so that they could according to Mr Minchin. The deal on the first day. By 11 am firm simply switched to dealing quiet to average trading day. The Scottish financial com-munity consists of more than half a dozen life offices, a bevy of fund managers spread between Edinburgh and Girtrow, and stockbrokers, the majority of whom have in the past two vears been taken over by larger groups. Among the remaining independent brokers, only Bell Lawrie is of any size.

As a leading financial institution, with a nortfolio of more than £9bn and a weekly requirement to invest £16m. Standard Life has probably been more affected by Big Bang than most concerns in Edinburgh's elegant

promoted Mr Robertson to be its bas the advantage that it seeler and boosted its research department, since it is wary of doing," said an official.

Lord Camoys, chairman of Barclays de Zoete Wedd, one of

anonymously.

"The prices quoted by the different market makers are only indicative," said Mr Dick Barfield, the UK investment manager. "But yon can now see who is most competitive in each stock."

each stock " At Bell Lawrie, 75 per cent of whose business is with private clients, telephone calls to the market makers seemed to be essential to fiesh out the stark figures showing up on Seaq. "But at least you don't have to ring round to get the basic information, which could be time-consuming and end up being out of date," said Mr. Derek McIntosh, the senior partner. "We were a bit nervous earlier on when the system went down for a bit, info on the whole it all seems to have gone off reasonebly well." At Beli Lawrie, 75 per cent

on the whole it all seems to have gone off reasonebly well. At Edinburgh Fund Managers Mr Gowan pointed out that brokers response time seemed to have become slower, despite the technological aids at their disposal. He grumblad a little at having to get into the office even earlier than usual to cather the early prices being made for even earlier than usual to cate the early prices being made by market makers, some of whom began before 8 am.

In Glasgow, where the one share trading floor in Scotland is located, Stock Exchange officials insisted it was businesses usual after the higher caught.

as usual after the hiatus cause by the temporary shutdown If has probably been more affected by Blg Bang than most concerns in Edinburgh's elegant financial district.

From yesterday morning it was for the first time dealing direct with market-makers instead of going through stockhrokers. To meet this need it promoted Mr Robertson to be its dealer and boosted its research department, since it is wary of

World's press and television on hand for City's big day

BY RAYMOND SNODDY THE BfG BANG in the City bas also been a big news story. The move to electronic trading in London bas found its way on to television screens all round the world. As Sir Nicholas Goodison, chairman of the Stock Exchange, explained patiently to probing American journalists wby the Topic system had crashed in the first hour of the new era, there were as many camera shutters elleking per second as electronic deals being

f have never chaired such a large press conference, not even in 1983 (when the changes were first announced)," Sir Nicholas sald in a momenl's respite before getting back to bis day's quota of 14 separate

"I'm beginning to get lightburned," be joked. So far more than 150 journalists bave been to the Stock Exchange to cover Blg Bang. They have included a correspondent from the People's Economic Daily from China, representatives from Australian radio and a television crew from NHK in

The story has been just as fascinating for television stations in Mexico and Brazil "I think the media have built il np themselves. f

think the name must be partly responsible," added Sir Nicholas, who emphasises to all who will listen that yesterday's events were only one step in a continuing City There has also been such Interest, Sir Nicholas believes,

because Blg Bang day bas come to symbolise the leap

forward London bas taken in

creating an internationally

competitive equities market in line with the Eurobond

The tales of "golden hellos" and young men earn-ing £190,000 a year and driving Porsches might also have had something to do Miss Sbeila MaeVlcar, Lou-

don correspondent of the Canadian Broadcasting Corperation, was in no doubt why she was there with ber There was considerable in-terest because Toronto was

keen to plug into the 24-hour

world market. But CBC was also interested in the social implications—"how bowler-hatted gentlemen with rolled umbrellas who lived stable lives with their dogs in the country" were bringing themselves into the 21st "There was never any

question that we would do the story," Miss MacVicar ARD, the first West German television channel, was not nearly so sure. The word came through to London yesterday morning, drop Big Bang and concentrate on Mr Jeffrey Archer, former Con-

servative Party deputy chairman. Mr Andrew Carnegy, who co-ordinates ARD's television coverage from London, ex-plained: "Knowing what f do about news editors, I decided to go ahead anyway in case they changed their mind and asked for the pictures." Yesterday the public gal-let journalists have a look lery was closed until 11.30 to
The Stock Exchange has
coped well with the Big Bang media watchers. "The press have always been unfailingly well behaved," Mr Luke Glass, the Stock Exchange

FT COMMERCIAL LAW REPORTS

Claim untainted by German offences

EURO-DIAM LTD V BATHURST Queen's Bench Division (Commercial Court): Mr Justice Staughton: October 1 1986.

tract legally made and per-formed in the UK is not tained and rendered un-enforceable by breaches of foreign law which did not contribute to the loss claimed unless the insured needs to plead or prove the illegality to establish his case, or the claim is so closely connected with the proceeds of crime as to affend the equicience of the court.

Mr Justice Staughton so beld when giving Judgment for the plaintiff insured. Euro-Diam Ltd., on its insurance claim against the representative underwriter of two Lloyd's

underwriter of two Lloyd's syndicates.
HIS LORDSHIP said that EuroDiam dealt in diamonds and supplied them to wholesalers in
England and abroad.
In November 1981 Mr Bonim, an Israeli citizen who was concerned in the import of diamonds into West Germany, came to see Euro-Diam. He said he required diamonds to be sent to Germany and sold there. It was agreed that if a diemond were sold in West Germany Euro-Diam should receive its stated minimum selling price and any unsold selling price and any unsold diamonds would be returned. Most of the diamonds were sent by registered mail to Verena, a German company

In January or February 1982 marine insurance.

Mr Bonim came again to London and a second transaction was concluded with Euro-Diam.

A list was prepared of the A list was prepared of the diamonds, the prices stated totalling \$223,416. The diamonds

the reasons for the request but merely acceded to it. It must have been obvious that the ourpose of the invoice was to deceive somebody. On the balance of probabilities Verena presented the invoice to the German customs authorities as evidence of the value of the diamonds, on which turnover equalisation tax would be

office disappeared during working hours. There was a loss of concerned had been illegal by contract of insurance in favour of insurance have been enforces.

One could divide the question question.

In every case involving a foreign element it was necessary to consider three preliminary matters: what was the legal topic with which the case was

Offences had been committed in commercion with the diamonds; by Verena in that tax should have been paid on the true value of the diamonds; by Euro-Diam in that it made aut incorrect records (but it was not subject to German) jurisdiction and what it did was not done in Germany); by Mr Bonim, in that he lived and worked in Germany without e Offences had been committed worked in Germany without e residence permit, and that he failed to report the commence-ment of his business to the German authorities.

The question was whether the breaches of German law affarded the insurers a defence to the claim, wholly or in part.

The insurers said it was an implied term of the insurance contract that the adventure would be carried out in a lawful manner.

manner. The implied term was said to arise from section 41 of the Marine Insurance Act 1906:
"There is an implied warranty thet the adventure insured is a lawful one . . "

The contract was not one of The contract was not one of marine insurance, sa the act was not in terms applicable. But it was an Act to cadify the common law, some aspects of which were equally applicable to non-marine insurance. The questian was whether section 41 reflected the common law applicable to all classes of insurance. or was neculiar to

diamonds, the prices stated totalling \$223.416. The diamonds were dispatched by registered post to Verena. An invoice was negative policy the implied term suggested by the insurers made no sense. The argument was therefore rejected. Had it been accepted it was doubtful that the implied term would the reasons for the request but merely acceded to it. It must been accepted it was doubtful that the implied term would embrace foreign illegality as well as illegality under English

therefore unenforceable here.
One could divide the question able? Second, if so, did the rules of conflict of laws justify reference to German law?

plaintiff failed in his insurance claim in respect of stolen jewellery which he had brought undeclared into the UK and on which he did not pay customs duty. Mr Justice Talbot said that to ollow him to recover would have been "to allow him to recover the insured value of the goods which hight bave been confiscated at any moment, and which thereany moment, and which there-fore were potentially without value to him."

In Bowmakers v Barnet Instruments [1945] KB 65 it was said that a plaintiff falled if be had to found his claim on an illegal contract, ar to plead its illegality in order to support his claim. And in Beresford [1938] AC 586 it was said that "a man is not to be allowed to have recourse to a court of Justice to claim a benefit from his crime." The precise degree of proximity between a plaintiff's claim and criminal behaviour necessary to bring the Beresford principle into force would vary with the circumstances of a particular case. A pleintiff might be said to

A pleintiff might be said to be tainted with illegality in English lew by virtue of the Boumaker, principle if he needed to plead or prove illegal conduct in order to establish his claim; or by virtue of the Beresford principle if the laim was so closely connected elaim was so closely connected with the proceeds of crime as to offend the conscience of the court.

The case would not be within the Bowmaker principle because Euro-Diam did not because Euro-Diam did not meed to plead, or prove, or show in the course of opening its case, any of the illegal ects which had been committed. As to the Beresford principle, the claim did not represent the proceeds of crime at all.

have been obvious that the surpose of the invoice was to deceive somebody. On the balance of probabilities Verena presented the invoice to the German customs autharities as evidence of the value of the diamonds, on which turnover equalisation tax would be calculated.

The transaction between Euro-Dlam and Mr Bonim or Verena was one of sale or remaining of the contract of insurance was that of agency or loint venture. In part Mr Bonim was carrying on his own was that of agency or loint venture. In part Mr Bonim was carrying on his own would render it tained man law The contract it would render it taining and laws justified for the contract of insurance was that of agency or loint venture. In part Mr Bonim was carrying on his own would render it taining and laws justified free for whether it had the degree of connection with lilegal to conflict of laws justified free for whether it taining and laws justified free for whether it taining and laws justified free for the conflict of laws justified free for whether it taining and laws justified free for whether it is the deprived of the formation was filteredly or proximately case was distinguishable. The illegal to the contract that while guishable. The illegal is the guishable. The illegal is the guishable. The illegal is the guishable and in our case was distinguishable. Th

able? Second, if so, did the rules topic with which the case was concerned to German law? concerned; what was the legal topic with which the case was concerned to German law? concerned; what was the concerned topic to laws for assigning cases on that topic to a particular externed laws that a particular system of law, what system of law did the connecting factor point ta in the case before the court?

In the present case the topic was enforcement of a contract associated with illegality. The associated with illegality. The connecting factor, in general terms, might be one of three as set out in Lord Justice Diplock's judgment in Mackender [1967] 2 OB 590, 601—forum, proper law and place of performance.

None af those connecting factors pointed to German law in the present case. The forum was English law; the proper law of the insurance contract was English; the place af performance of that contract was English;

England.
From the anthorities it was concluded that when an English claim was said to be tainted by

foreign illegality, one must first inquire whether, applying the appropriate connecting factor, the transaction from which the taint was said to arise would be enforceable here. If not, one had next to decide whether there was sufficient connection between that cient connection between that transaction and the claim to amount to taint within the Boumaker or Beresford principle. If the answer to that second question was yes, the claim was unenforceable here. Applying those conclusions to the present case, an English court would not enforce a contract to deceive the German customs authorities in Garmany, since Germany would be the place of performance. Nor would it enfarce e contract by Mr Bonim to reside in Germany without a permit, ar to carry on business there without notifying the local euthority, for the same reason.

German lew was therefore potentially relevant thus far.

But the second stage of the inquiry was whether there was sufficient connection between the insurance claim and those activities to amount to taint. activities to amount to taint. There was not. So German law was no obstacle to the success of Euro-Diam's claim

Judgment for Euro-Diam for For Euro-Diam: Gruder (Ince and Co). For Mr Bathurst: Malins (Clyde and Co). Julian

By Rachel Davies

PACIFIC DUNLOP

PACIFIC DUNLOP IS FIRST IN MANY THINGS, INCLUDING PERFORMANCE

Pacific Dunlop products are market leaders in Australia and in many parts of the world. Continued strong growth in the year ended 30 June 1986 saw Pacific Dunlop achieve four notable "firsts":

- Sales passed the A\$2 billion mark, reaching A\$2.4 billion (£1.1 billion).
- This is an increase of 29.8%. Profit after tax and interest passed the A\$100 million mark, reaching A\$110.5 million (£48.5m). This is
- an increase of 33.6%. ■ International sales passed the half billion mark, reaching A\$544 mil-lion (£238.8m). This is an increase
- Market capitalisation passed the A\$1 billion mark, reaching A\$1294 million (£568m) at 30 June 1986. This is an increase of over half a billion in one year.
- Other highlights of the year: ■ Increased final dividend, making a total for the year of 12.5 cents, and a bonus issue of one share for every
- ten shares held. Earnings per share of 27.5 cents, and return on shareholders' funds of 19.2%.
- Formation of a major new business group, International Batteries, to develop sales and manufacturing in four countries, including the United States. This will include construo tion of a A\$24 million (£10.5m) factory in Georgia for the revolutionary new Pulsar automotive
- Expansion of flexible foam intoa A\$100 million (£44m) business with moves into New Zealand and the United States.
- The signing of three joint venture manufacturing agreements in the Peoples Republic of China.
- The continuing expansion of Ansell International, world leaders in latex technology, through the addition of five new manufacturing operations in Europe, South-East Asia and North America.
- The opening of an optical fibre factory in Melbourne for the Australian market using Sumitomo

Pacific Dunlop is one of Australia's largest maintacturing enterprises, and nearly one-third of its assets are now outside Australia.

Pacific Dunlop Limited
500 Bourke Street Melbourne Vic 3000 Australia

People, ideas, technology.



The Chinese was refurbishing a furniture factory. Importing a large amount of foreign equipment to be paid for in hard currency. But the factory only produced for the domestic market.

Problem. He had no exports with which to recoup the outgoing currency.

He came to Generale Bank in Beijing. They contacted the Foreign Trade Promotion Department of their Head Office in Brussels, and asked about possible customers. Belgium occupies a prominent position in the furniture market. Not surprisingly the answer came back the same week.

Enter the Scot. Her company badly needed a new supplier. It was the perfect match.

Generale Bank made the introduction, then structured and financed the deal. The Scot got her supplies and the refurbishment went ahead immediately.

We did it for them and we can do it for you.

Generale Bank Montagne du Parc 3, B 1000, Brussels, Belgium.



UK NEWS

Nuclear spotlight on Dounreay

FROM NOVEMBER IST 1986 SHARE ACCOUNTS & CASHBOOSTER 6.00% net 6.25% net FLEXACCOUNTS £1-£499 7.75% net . £500 plus (£100-£499 existing accounts only 6.25% net) BONUSBUILDER **ACCOUNTS** £500-£1,999 7.75% net £2,000-£4,999 8.00% net £5,000-£9,999 8.25% net £10,000-£24,999 8.50% net £25,000 plus 8.75% net CAPITAL BONUS £500-£9,999 8.50% net £10,000-£24,999 8.75% net 9.00% net INTERNATIONAL £1-£9,999 11.00% ACCOUNT £10.000-£24.999 11.50% £25,000 and over 12.00% The interest is paid gross. Available only to those not ordinarily resident in U.K. **DEPOSIT ACCOUNTS** 5.75% net

NEW NATIONWIDE RATES

OTHER INVESTMENT ACCOUNTS

After nearly seven months, the end is in sight to what has already become Scotland's longest planning inquiry, into proposals for a £300m plant to reprocess spent European nuclear fuel at Dounreay, nine miles from Thurso. The hearing was originally expected to last only

The Sizewell inquiry, for which the inspector's report is expected to be delivered to the Government shortly, set a UK record of 340 days in sessions spread over 27 months. It was conducted largely in a goodhumoured atmosphere but the Scottish hearing - over 80 sessions since April - has been marked by actimony and distrust

The battle lines are clearly drawn over joint plans by the UK Atomic Energy Authority (UKAEA), which runs the existing nuclear developand British Nuclear Fuels to build a reprocessing plant to recycle fuel

Unlike the Sizewell inquiry,

from Suffolk on the east coast of reactor safety, the Dounreay debate England and the proposed Sizewell has centred on local employment B reactor to Thurso, the most nor and a perceived risk to health and therly town on the British main-

Posters in Thurso town centre declare support for Downreay from traders, unions, the community council and even seven local doctors, who see a greater threat to health from unemployment than from radioactive discharges.

Thirtso is very much a company town. A UKAEA information centre gives away postcards and plastic bags. The electricity board show-room sells a pinball game on the theme of a nuclear plant. In the past quarter of a century, the au-thority has built 800 homes in the town and the population has grown, since the arrival of nuclear activities, from 3,300 to over 10,000.

The posters tell a different story in port towns such as invergordo which could be chosen to receive shipments of irradiated fuel, and in Orkney and the Shetlands. There, particularly in the islands, live the most vociferous opponents of the scheme, people who are worried about the environmental risks to their fishing, farming and tourist

THE phenomenon of lengthy nu-which was dominated by national clear public inquiries has switched issues of energy economics and

no opposition from the local plan-ning authorities, which are of the opinion that there will be no envirready 2,300 UKAEA employees at way concerned about seaborne pol-Dounresy, home of a demonstration last-breeder reactor. ommental damage and are aware of the economic benefits. There are alfast-breeder reactor, two fuel repro-cessing plants and waste treatment

and storage facilities. The proposed reprocessing plant is expected to create 250 construction jobs at the peak of a seven-year building programme and to employ the Scottish Conservation Society is already planning to challenge

filled locally.

Nearly 800 letters of support for the new plant have been delivered to the inquiry, although these have been outnumbered by more than 2,000 letters of objection and petitions containing nearly 20,000

The inquiry is being conducted by Mr Alexander Bell, the reporter, which is the Scottish equivalent of inspector. His remit was drawn up by the Scottish Office and confines the inquiry to local issues, other than on medical matters. The medical debate has largely surrounded the discovery of a cluster of five child leukaemia cases in the Doumeay area. The UKAEA dis-misses claims that routine radioac-

Over the next two weeks, further final submissions. Mr Bell expects the inquiry to end by mid-November and to report to Mr Malcolm Rifkind, the Scottish Secretary, in

a permanent workforce of between the minister's decision in the courts 600 and 700, of whom 250 might be should it be in favour of the plant. Dr Kenneth Delbray, leading the society's case to the inquiry, says the appeal would claim that the inquiry was unjust because of the imthe objectors and the nuclear indus-

try and the practical difficulties for those wishing to attend.

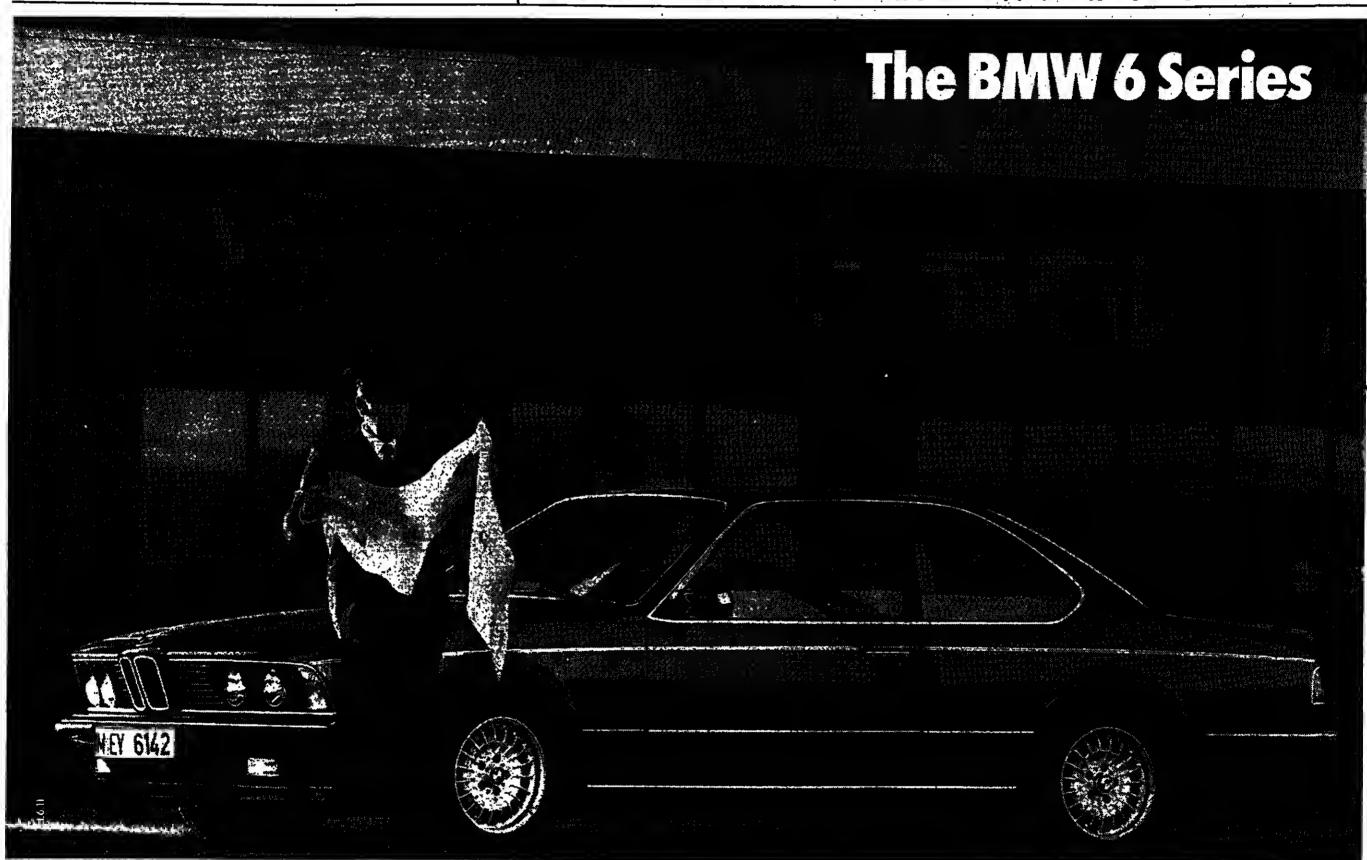
Independent objectors from Orkney and the Shetlands have had to hold fund-raising events and take time off work to challenge the evi-

dence of the nuclear industry. Similar bitter complaints about relative resources were made over there are stark contrasts between

the styles of the two inquiries.

In Sufficik, the hearings were held in the Snape Maltings concert hall and cost an estimated £15m. At Thurso, the inquiry is held in the sombre town hall and the bill is not expected to exceed film, part of which will be paid by the Scottish

Sir Frank Layfield, the Sizewell espector, ruled over that inquiry with a rod of iron. At Thurso, the procedure is much less formal and Mr Bell has been involved in exchanges including one rumpus in which he told Mr Robin Barratt, QC, for the applicants, to "be quiet."



Wrong.

No doubt the real enthusiasts amongst you spotted our deliberate error straight away. No, it's not the missing rear doors or the chauffeur's newspaper. It's the chauffeur himself who is completely out of place. But perhaps a few of you, who've managed to resist the temptation of ever owning a BMW coupé, may need a little further explanation. Imagine the

coupé in the photograph belonged to you. Would you then see any earthly reason for allowing anyone else to sit behind its wheel? After all, what's the point of owning a gas pedal that has 286 hp under the bonnet and then giving someone else the pleasure of putting his foot down?

And how much personal enjoy-

a suspension, whose fly-paper-like handling on winding country roads prompts some strange minds to think of a special tax on such pleasures, if you yourself weren't holding the leather-clad wheel?

Although even we must admit that we have heard tell of some people who've bought a BMW coupé purely for its classic look, and only then have been happily surprised to discover that unparalleled dynamism was also included in the price.

But we find it hard to believe vou're one of those motorists who regard ABS anti-lock braking as a piece of electronic chicanery. ment do you think you would get from | Surely you're a committed driver |

who appreciates that it's an essential element of the matter-of-fact safety of a car in this class. And you also realise that, even though a 6 Series BMW can be a source of pleasure for its passengers as well, its true attractions are only ever really experienced by its driver. That's something that the gentleman in the peaked cap was

obviously aware of. When he climbed out of his limousine to lean just once on the car he'd like to drive, as: opposed to the car he has to drive.

At least there's one thing the world can agree on.

BRITISH AIRWAYS

The world's favourite airline.

Galleries/William Packer

Fact into abstract

What had become almost a tradition at Annely Juda Fine Art — putting on each antumn a major exhibition founded upon the constructivist tradition in modern art — has been car-ried on most happily since thet gallery's amalgamation some years ago with the old Rowan Gallery of Bruton Place. This year's exhibition, filling all three floors of the Juda Rowan Gallery (11 Tottenham Mews, off Tottenham Street, W1; until December 19), is called From Figuration to Abstraction which is intended to make it plein that abstract artists could always paint and draw from the figure or from nature perfectly well. Certainly it does that, but it also does something rather more serious and significant. For, by the simple device of setting the later work, which is

century to the present day, from Mondrian to Bridget Riley, from Picasso, Schwitters and Henry Moore to Anthony Caro and Nigel Hall. And to make its point it gives us work that it not only fascinat-

This is the year that Wexford, in common with other Irish arts festivals, had to operate entirely without public funding. From all the evidence, and in spite of minor signs of desperation of the period of the per

(such as the new single-ticket rule for critics), it is clear that

anyone and everyone connected with the opera festival came back fighting. Ticket sales went faster than ever; and perfor-

mances have been on the

highest level this extraordinary

enterprise can reach—that is to say, oot free of miscalculation or mishap (what with ferry strikes and gales on the Irish sea, there has been e good deal of that in production routines), yet miraculously fresh, imaginetive, and vital. Add to that

a quite hrilliantly contrasted choice of works, and the result

attended.

The least well known of the

1986 three operas is Humper-dinck's transportingly beantiful Königskinder, which must have a separate report all to itself.

facetted image of the flatter, abstracted, disintegrative collage images to come. A delicious early Ben Nicholson house in a landscape sits beside an ineffahly elegant pavatex relief — whatever pavatex is — of 1961 that is so clearly the work of the same judicious hand, and eye too, for the universal simplicities of architecture. Bridget Riley's pink pointillist laodscape of 1960 hangs heside a recent painting of vertical

recent painting of vertical stripes of pink, blue, yellow and green, end not only are the colours themselves, and their pitch and tonal values still virtually identical, but they sing together.

For. by the simple device of setting the later work, which is usually the abstract or at least much abstracted, against the earlier and figurative, we are shown time and again that the one is clearly derived from the other, even though its evolution may be much extended.

The scope of this exhibition is considerable for one that is comparatively small and circumscribed in its selection, amounting to some 60 works from 25 artists that hring us from the first decade of the century to the present day, from Mondriàn to Bridget Riley, from Picasso, Schwitters

artefact—not deep, not revolu-tionary, but worked with immense delicacy and skill, and richly supplied with memor-able melody. Its neglect really

Taking pleasure in the production was indeed the sama as taking pleasure in the work:

was undne.

itself alone, quite apart from primitivism, close to Art Brut, the hints it gives us across its the naive and child art, and facetted image of the flatter, close to the roots of the abstrac. expressionism of the New York

> COBRA dishanded in 1951 but its artists continued as active as ever, none more so than Appel who by the end of the decade was established in New York, where he still spends half of every year. But the sheer scale of the critical and mercantile success of the new American painting from the late 1950s on threw the equivalent European echools into critical confusion and an eclipse that was to last far too long.

But since the lata 1970s a resurgent European figurative expressionism, whatever its manifold sins and wickednesses might be, has served to dispel tha gloom at last. And out into the light, restored once more to some critical respectibility have come a number of interesting and substantial figures, not least of them Karel Appel who had heen working away all the time.

A lengthy interval will naturally exaggerate the changes and developments that may have taken place in the work since we saw it last, and it would be easy enough to suspect an artist such as Appel, in the circumstancee in which he now finds himself, of a certain latterday opportunism, but it would hardly be fair. It is oulte clear from the work Riley, from Picasso, Schwitters and Henry Moore to Anthony Caro and Nigel Hall. And to make its point it gives us work that it not only fascinating but often extremely beautiful. It is not just wishful thinking, or critical hindsight, thet allows us to detect something of the linear and structural discipline of Mondran's later eevere simplicity in his small painting, circa 1903, of hedgerow trees and bushes. It is rather more than its critical significance that makes it so covetable.

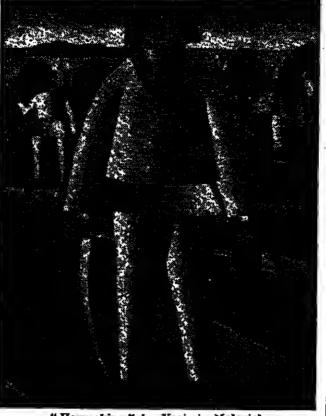
The dark green Schwitters landscape of 1917, with its rich impasto worked with eo active an expressionism, a simple image of a lane between heavily overhanging trees, is again a wonderful painting for

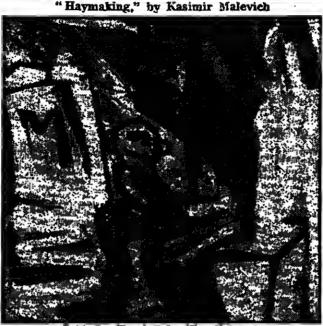
Mignon, Tancredi/Wexford Festival

Max Loppert

of theatrical space and his feel-ing for theatrical texture and

ing for theatrical texture and timbre made one long for this production to be snapped up forthwith by one of our own companies. Mignon deserves to come back — especially in the originally opera-comique form (i.e. with spoken dialogue) in which it was here performed (as with many other successful operas, several later and less effective editions becama more common). There were no





At the Tomb," by Karel Appel

the

Arthur Jacobs

Mozart and Salieri/Edinburgh

"You are a god!" says Salieri been to Mozart-genuinely admiring, yet envious enough to kill him. No, this was not Amadeus, hut Pushkin's play, Mozart and Salteri, as turned into an opera by Rimsky Korsakov in 1897. Pushkin not only seized on the rumour (groundless, according to historians) that Salieri poisoned Mozart, hut anticipated Peter Shaffer in depicting Salieri as the rigidly conscientious pedant, Mozart as the madcap genius. yet envious enough to kill him.

the madcap genius. Since the opera actually quotes Mozart's Requiem, It was a splendid idea of the Scottish National Orchestra to foliow a concert performance of the opera at the Usher Hall with the requiem itself. But if one asks why the success of ome asks why the success of Amadeus has not engendered a whola spate of revivals of the opera, the answer is that it is not a very good one. The tunefulness which is such an attractive feature of Rimaky'a operatic styla is unprofitably sacrificed for the kind of continuous recitative which had

pioneered by Dargomizhsky (to whose memory the opera is dedicated). The mock-Mozart offered by score rings hollow. Yet this was emphatically an exploration worth making. A performance in English would at least have conveyed a drama of personalities; a performance in Russian with two native singers could have claimed authanticity. Here, unfortu-nately, was neither. The piece

was eung in Russian, with tha role of Salleri allotted to an role of Salleri allotted to an excellant Soviet hass, Anatoly Safiullin, but with Martyn Hill es Mozart. Even listenars unawara of his mistakes in Russian may have sensed the lack of those strong final consonants which are so much a benediction. More warmth would have been welcome for the Business and the Salleria would have been welcome for the Business and the Salleria would have been welcome for the Business and the Salleria would have been welcome for the Business and the Salleria would have been welcome for the Business and the Salleria would have been welcome for the Business and the salleria would have been welcome for the Business and the salleria would have been welcome for the Business and the salleria would not sal part of the Russian vocal style. Moreover, though he surprised and pleased the andience by actually playing the piano as this Mozart is required to do, his voice carried nothing like the strength and character. tha strength and character which it was to show in tha Requiem.

This programme (sponsored in Edinburgh by Christian Salvesen PLC) did not demand the more vivacious and colour-ful playing which has been lately remarked in the Scottish National Orchestra's work, but drew e sympathetic handling from its principal guest con-ductor, Matthias Bamert. In the Requiem (performed in the traditional version with Sus-mayer's completion). Mr Safiul-lin further exhibited his superior gifts, Penelope Walker gave generous tone to the alto line, and Joan Rodgers sang capably but could not quite manage the smoothness which should make the soprano'e from the SNO's chorus; their sopranos tended to tremble when attempting a pianissimo, and the too lightly baritone ish sound of the bases suggested that a blood-transfusion from Yorkshire would not come

Uchida/Elizabeth Hall

Dominic Gill

sold-ont hall greeted Mitsuko Uchida on Sunday afternoon for her first solo afternoon for her first solo recital on the South Bank for many a moon. Perhaps it was the atmosphere, charged with high expectations, which encouraged har to launch at such high voltage into the opening piece of her programme. Beethoven's 32 Variations in C mlnor. It was a brilliant, splashy account, which correctly retained the basic pulse throughout every variation, and which et its hest had splendid crispness and clarity. I wonder all the same if she did not choose to start slightly, but critically, too fast? The theme itself gains weight when it is more deliberately announced, and in the faster variatione the triplet deliberately amounced, and in After the interval she gave hright and vivid of c the faster variatione the triplet just two works by Chopin: a relenting of impetus.

delicacy. (One reservation only: although the occasional expressive fades to quadruple-planissimo would have made their point keenly in a smaller hall, have they tended to approach the outer limits of andibility.) The andante was a gripping distilletion, the focus powerfully close, sombre and beentiful.

knife-edge volleys than hectic switchback rides.

The whole manner of her reading of tha Schubert sonata which followed—the unfinished C major—spoke impressively of the grand and monumental, tempered in its violence hy a second subject of exquisite delicacy. (One reservation only: although the occasional expressemiquavers are more like luminous account of the early authentic scale with the rest. Much of the scherzo'e articulation was breathtaking. In the Largo, Uchida found her most original and compelling voice: a vision, over a broad dynamic range, of tranquillity and repose, almost entirely unrufiled—a more richly pedalled and subtly perfumed version of the sound-world of her Nocturne. The finale was masterly: hright and vivid of colour, un-

the jokey counterpoint of the

Philharmonia/Festival Hall

David Murray

Though late Haydn and early Sibelius are not natural hedfellows, Esa-Pekka Salonen'a programme with the Philharmonia on Sunday was at least fresher than most this season. Of the Sibelius op: 23 tha Four Legends (about Lemminkainen, one of the rough hences of the Finnish (Kolevola epic), only "The Swan of Tuonela" is well known. The complete set was very welcome; and the Philhartance hetween Carré and and style. The clichés of the plece were set, as it were, in Goethe novel, Withelm Meisters dinking chorus the motionless that this sparkly, inexhaustill-ready" convention by Richard Jones triumphantly demonstrated is that Mignon remains one of the most wholly deligibital of Partisian operatic entertainments. The Opéra-Comique of the 1860s was a factory where streamined artistic formulas simplicity and directness, were fulfilled to the letter of audience expectation (et least until Carmen came along a decade later to shatter the mould forever). On this showling Mignon is the most resilient kind of Opéra-Comique of the mould forever. On this showling Mignon is the most resilient kind of Opéra-Comique of the through the otherwise first-rate conductor, Yan Pascal Tortunate, for the preduction in the tits in the opening of the mould forever). On this showling Mignon is the most resilient kind of Opéra-Comique of the mould forever. On this showling Mignon is the most resilient kind of Opéra-Comique of the mould forever, in and style. The clichés of the opening ordinarily touching, detailed, and subtle performance, was crita-ordinarily touching, detailed, and subtle performance. The opening it wery converted work and subtle performance. The opening is the tender of the special fascination of the mould forever. In the opening of the the opening is subtle performance. The opening is very conducter, gave as extra-ordinarily touching, detailed, and subtle performance. The opening is very conducter. The opening is subtle performance. The opening is very following for the tender of the subtle performance. The opening is very following for the tender of the special fascination of the mould forever. In the opening is very fair too slowly, she did the strangeoess of the role, not just the pale of glitter (and high special fascinations at the pale of glitter (and high special fascinations can full loud, drawing the place with the opening of the tender of the novel) were fulfilled to the letter of audien very welcome; and the Philhar-monia'e first trumpet John

would be horribly exposed — but free and candid. For the but free and candid. For the first-movement cadema ha had the risky inspiration of adding a passage for clapped mouthplees (instead of blowing: you can produce pitched notes that way). I see no reason why a modern cadema shouldn't offer modern tricks, but in the event it was unply companies. event it was surely over-antici-pation that caused him two plain fluffs just before the joke. Salonen kept Haydu's Symmonia'e first trumpet. John Wallace is welcoma in Haydh's Concerto any time, and the moving. Somehow the slow 198th Symphony (in the same key, E-flat) sits well with it. A board to the first-movement good evening, then—which Vivace, which started up as if from nowhere in particular, key, E-flat) sits well with it. A good evening, then—which vivace, which started up as if might have been better still.

There are always precocious teenagers who can trumpet tha Concerto with gleaming precision. Wallace did more: he gave It verve and wit, and sharp lity of the wind-hand in the Adagto was splendid, not cantiously constrained — for any lapse and therefore impersonal, and

Finale too prim. Learning how to do justice both to Haydn'e air of cheerful directness and to his formal elegance is of course a matter of slow, non-theoretical experience. Salonen would he further ahead if he were better at paragraphing, as his Sibelius Legends revealed. "Lemmin-kainen's Journey Home" got the uncomplicated urgency it needs, and in the "Swan" needs, and in the "Swan" Salooen properly allowed cor anglais (Gillian Woodrow) and cello (Andrew Shulman) a full share in shaping the piece. The mein interest of the other Lemminkainen's pieces lies, bowever, in their half-developed symphonic progress through their diffuse material; here, each new idea seemed to arrive without idea seemed to arrive without preparation. The local colour was lively, but whatever holds each tale together musically was left pale. These stories need more cogent punctuation.

van Kampen/Wigmore Hall

Richard Fairman

timbre made one long for this production to be snapped up forthwith by one of our own companies. Mignon deserves to come back — especially in the originally opera-comique form (i.e. with spoken dialogue) in which it was here performed (as with many other successful operas, several later and less effective editions becama more common). There were no native francophone speakers in the cast, and only Philip very weak. Just bow weak pooks and sang French with any sort of Idiomatic ability.

As Mignon, Cynthia Clarey,

Bernardi and directed by John Cop-ley, and Melisofele, La Traviata and Love for Three Oranges. Lin-

and Dove for Times Cranges. Introdu Center (870 5600).

Jext Wave Festival (Brooklyn Academy of Music): New York debut of European dancer Anne Teresa de Keersmaeker features her work, Rosss Danst Rosas. Ends Nov 2.

WASHINGTON

Washington Opera (Opera House): The first week of the season features Mstislav Rostropovich conducting

Rimsky-Korsakov's The Czar's Bride, directed by Galina Vishneyk-saya with Elizabeth Knighton, Cleo-

says went Enzabeth Amgation, Cleo-patra Caurca, and Ivan Konsulov; and Wolf-Dieter Ludwig's new pro-duction of Il Trovatore conducted by Daniel Oren with Susan Dunn and Franco Ronisolli. Kennedy Center

Lyric Opera: Handel's Orlando joins the repertory in John Coplay's pro-duction conducted by Charles Mack-erras with June Anderson, Marilyn

Horne and Jeffrey Gall. Christof Perick conducts Pier Luigt Pizzi'e production of Parsifal with Tatiana

Troyanos, Jon Vickers and Hans Sotin. (332 2244).

October 24-30

(715 636 4100).

(254 3770).

As a survey, it offers a Britten's solo works must await fascinating insight into the the inevitable mantion of mind behind the music. Follow- Rostropovich, for whom all ing the scores, one can almost these pieces were written, with

ing the scores, one can almost see Britten et work, as he tests his ingeauity to find new ways of exploiting the cello as a solo instrument. The suites read like a self-imposed puzzle. Each movement puts forward a different logical answer, a series of new forms, new togo heyond the bounds of what was thought possible.

The fugues are a typical solution. Britten works out the interplay of the parts with such mathematical precision that two or three voices can be kept going simultaneously, but never sum, the integral of the parts with such mathematical precision that two or three voices can be kept going simultaneously, but never sum, the integral of the parts with such mathematical precision that two or three voices can be kept going simultaneously, but never sum, the integral of the parts with such mathematical precision that two or three voices can be kept going simultaneously, but never upon the service of the control of

going simultaneously, but never meet. It is a style that he takes to its extreme in the second suite: now the sort of idea that might have struck the listenar as novel or exciting in the other pieces is upt to sound like an arid exercise—definitely for intellectual consumption only.

Yet even here the evening's soloist Christopher van Kampen hraathed life and commitment. Any cellist who takes on

these pieces were written, with just about as much dread as tenors anticipate the name ે કા

isses B

900 y 5'

Sec. And

Pears.

Nobody is ever likely to equal the sheer panache and big-honed attack that the Russian master could dare in the safety of the recording studio. But there was no lack of excitement here: van Kampen's speeds in the extreme difficulties of the first suite's march and the second's scherzo were thrillingly reckless. Only the intonation in the double-stopping left some doubts. In sun, this was a heroic task.

Saleroom/Antony Thorncroft

Trio of old masters

Sotheby's is to auction in London on December 10 three important Old Master paintings—a Rembrandt portrait of a young girl, which should top \$2m, and a pair of portraits of the man is estimated at £2m; that of the woman slightly less.

All three paintings are being sent from the US, confirming London's status as the centre for the Old Master market. The Rembrandt is the best to appear at auction in over 20 yeers. It is an eerly work of an imaginary girl, in which he expresses a fresh, light-bearted to be a furniture in recent sales.

FIRST OUT... From Oct 27th, Eurobusiness travellers to Milan can leave London at 8.10am* That's more time for business (and pleasure) in Italy. *Except Thuts & Sun.

Rönigskinder, which must have a separate report all to itself. The smash hit bas heen Ambroise Thomas' Mignon (1866). one of the favourite works of its day, condemned to e twilight, semi-forgotten existeoce in ours. No-one will want to make out that it is in any way an "important" work; no-one (surely) naed worry any longer about the artistic dis-



Integrated training and presentation package - 1986 RITA Award Winner

Call 04868 25925 for brochure **POWER WITHOUT PROGRAMMING**

Arts Guide

Opera and Ballet

Music and dance from Bali at the Théatre de Paris (4278 1954).

Theatre de Paris (4278 1954).

Don Carlos alternates with Prokofiev's Cinderella transposed by Nureyev into the Hollywood world of producers and stars. The modern version Cinderella is danced by Sytvie Guillem, Claude de Vulpian, the Prince/actor by Charles Jude/Laurent Hlaire, the Stepmother/producer by Michael Denard/Rudelf Nureyev/Patrice Bart. Paris Opéra (4286 5022).

WEST GERMANY

Berlin, Deutsche Oper. Tosca, sung in Italian, stars Raina Kabaivanska, Cornelia Murgu and Yoko Nomura. Also Heinrich Hollreiser conducting

Die Walkure and Das Rheingold in Götz Friedrich's productions with Diane Curry, Lucy Peacock, Marti Salminen and Peter Hofmann. La-

cia di Lammermoor and Katja Kab-

Hamburg, Staatsoper: Die verkaufte Braut will have its premiere this week. The cast is led by Hildegard Hartwig, Linda Plach, Dieter Weller

and Martti Tolvela. La clemenza di

Tito has a strong cast with Judith Beckmann, Daphne Evangelatos, Werner Hollweg and Stafford Dean. Zar und Zimmermann features

Marianne Hirsti and Peter Haage. Also in the repertory: La Traviata.

Frankfurt, Opera: La Bohème features Ellen Shade and Alejandro Rami-re: The Masked Ball, sung in Ital-

ian, has Ellen Shade making her de-but as Amelia and Susanne Freyler

and Walter Raffeiner sing in Or-

anowa round off the week.

Music/Monday. Opers and Belief/Tussday. Thesite/Wednes-day. Exhibitions/Thursday. A selective guide to all the Arts ap-

pheus in der Unterwelt. A Jewgeni Nesterenko lieder recital closes the

forwardness of projection. But he won all hearts with an

ne won all hearts with an exquisitely gentle delivery of his two airs, finely spun oot. The deranged bass minstrel was Teodor Ciurdee, thick and unclear, the single weak spot of a magical Wexford evening.

Sadler's Wells, Rosebery Avenue: Pe-Sader's weils, Rosebery Avenue: reking Opera (278 8918).

Royal Opera House, Covent Garden:
Royal Ballet triple bill followed by
The Sleeping Beauty. (240 1888).

Madrid autumn festival presents Spanish Contemporary Ballet Co Carmen Senra. Music by Vivaldi, George Cross, J. M. Jarret and Chick Corea. Teatro Monumental, Atocha 65. (227 1214).

Rome: Testro Brancaccio (244, Via Merciana): The Testro dell'Opera opeus its winter season at its over-flow theatre with two ballets: I Pini di Roma by Robert North to Re-ceight's symphotic research. graphy by Lores Massine, based on that of his father, Leonide, for Diriat of its faines, Leonine, for Di-aghilev's Ballets Russes. (46 i7 55).

Florence: Teatro Metastasio (Prato):
Ballets du Grand Teatre de Geneve in El Publico by Federico Garcia Lorca to music by Bark-Rabe, Phil-lip Glass and H. le Bars. (Wed and Thurs). (277 9236).

Trieste: Teatro Comunale Giuseppe Verdi: San Carlo di Napoli theatre production of Verdi's Rigoletto, con-ducted by Hubert Soudant, and directed by Lamberto Puggelli, with Gloria Scalchi, John Rawnsley, An-tonio Savastano (Fri, Sun, Wed).

zano) made one wish he had more to do.

Staatsoper: Simoo Boccanegra conducted by Abbado with Zampieri, Gonda, Bruson, Raimondi; Tosca conducted by Buckley with Troitskaja, Aragali; Un Balio in Maschera conducted by Abaddo with M. Price, Pavarotti, Cappuccilli; Elektra conducted by Laitner with Ladwig, Martin, Reppel. (51 444/26 55).

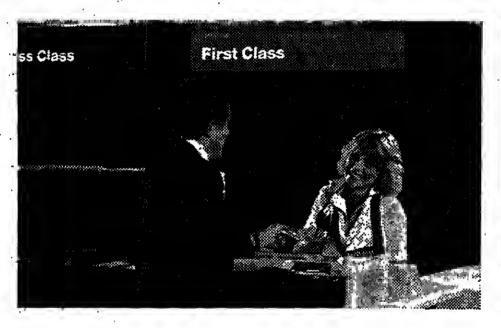
Volksoper: Der Mantel and Gianni Schicchi; Helio Dolly; Orpheus in der Unterwelt, Der Wildschütz. (51 444/26 57).

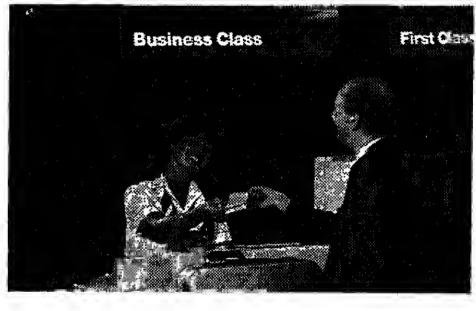
. NEW YORK

Metropolitan Opera (Opera House): The week features the first seasonal The week features the first seasonal performance of Der Rosenkavalier conducted by Jeffrey Tate in Nathaniel Merrill'e production with Anna Tomowa-Sintow, Brigitte Fassbaender, Taro Ichihara and Gottfried Hornik, joining Tosca conducted by Garcia Navarro in Franco Zeffreili's production with Eva Marton, Placido Domingo and Italo Taior. Placido Domingo and Italo Tajo; James Levine conducting Le Nozze di Figaro in Jean-Pierre Ponnelle's production with Elisabeth Söderström, Kathleen Battle and Thomas Hampson; John Dexter's production of Aida is conducted by Nello Santi with Martina Arroyo, Grace Bumbry and Leo Nucci; and Madame Butterfly conducted by Gianfranco Masini in Renata Scottr's staging with Yoko Watanabe, Vasile Modoveanu and Lenus Carl-son, Lincoln Center (362 6000). New York City Opera (NY State Thea-tre): The week features Imre Pallo conducting Die Fledermaus im Ger-ald Freedman's production with Leigh Munro and Theodore Beerg; Don Quichotte, conducted by Marlo

Folklovic Dance and music from Okin-awa. This group of islands south of Japan with a different history and culture from the mainland has only Japen with a dimerchi history and culture from the mainland has only in the last century become part of Japen. National Theatre. (Thur). (265 7411). Lufthansa today:

From November 1st, there's only one class for today's business traveller to fly: his class.





When flying Lufthansa in the future, you'll still have a choice of two classes. But apart from First Class, the only other class we'll be flying in Europe is our new Business Class. From November 1, 1986, with new and more comfortable seats. And more legroom too—a spacious 86 cm between rows.

Use our Advance Seat Reservation and book your seat at the time

you book your flight. Available on all international routes if you're travelling at normal fares.

And when you're on board, we'll serve you a complete menu no matter what the time of day. A hot meal if your flight is longer than 2 hours. With your choice of beverages too.

That's Lufthansa's new way to fly in Europe.

Whether it's First or Business Class, Lufthansa offers what today's business traveller expects of his airline: a route network that serves 51 cities in Europe alone. Frequent departures – with many same-day return flights – that allow you to make the most of your working day. And a modern fleet that gets you to your destination on time. Welcome on board.



FINANCIAL TIMES

BRACKEN HOUSE, CANNON STREET, LONDON EC4P 4BY Telegrams: Finantimo, London PS4. Telex: 8954871 Telephone: 01-248 8000

Tuesday October 28 1986

The powers of parliament

about far more than that. The underlying subjects are the powers of parliament, the role of select committees and the ecrountability of government to the House. It is very impor-tant that MPs should realise that that MPS should reasise that if they want reform in these matters, ultimately it is only they who can bring it about. The Government is not going to do it for them, and indeed at present seems to be doing its best to claw back what powers the select committees once bad.

In opposition, Mrs Thatcher's Conservative Party pledged itself to a more open form of edministration. Mr Francis Pym, assisted by Mr Leon Brittan, promised e system of departmentally-related, crossparty select committees which would have the power to ask all sorts of embarrassing gneswould have the power to ask all sorts of embarrassing questions of whomever they chose. As Leader of the House, Mr Norman St John-Stevas duly put the reforms into effect when the Tories came to office. Although it was not an entirely new idea, it was a welcome development towards greeter parliamentary democracy.

Admirable attempt

In other words, while the select committees bave powers to send for any persons, papers or records they wish, the Government is still entitled to say "no" and even if a civil sevent does appear, he or she is under no obligation to answer questions. The Government response says specifically:

The Westland affair delivered e severe sbock to the new system. As an example of governor attempt to oblige e civil system. As an example of government mismanagement (to put it mildly), it was an ideal subject for scrutiny by select committee. Mrs Thatcher did. efter all, lose two Cabinet min-isters: there was e time when it seemed that the whole busi-ness of government had broken down; and it was all over a rela-tively minor matter.

Peremptory terms

The select committee on and reported towards the end of July. Its work was hampered, bowever, by the Government's refusal to allow key witnesses to appear, by the refusal of some witnesses to answer questions in detail when they did appear, and at times by lack of access to documents central to the affair. Its report was there-

THE House of Commons to-morrow debstes the Westland any ministerial instruction not affair, or at least ostensibly. In practice, the debate should be committee considered seeking such authority, but chose not to do so at the time. Neverthe-less, the paragraph stands. It is up to parliament, not to the Government, to decide what is disclosed about government

business.

Two weeks ago the Government issued its response to the report in terms so peremptory as almost to imply contempt. In a statement that goes way beyond the confines of the Westland affair, the final sentence of Cmnd 9916 reads: "The Government proposes to make it clear to civil servants giving evidence to select committees that they should not answer questions which are or appear to be directed to the conduct of themselves or of other named individual civil servants."

servant to answer a question or to disclose information which his minister bas instruc-ted him not to answer or disclose"

The logical deduction from that statement is that minis-terial power is all, unless and until ministers themselves fall

foul of parliament.

That is not what the Conservetives promised when they won the general election in 1979. It is doubtful whether it is an efficient way of running an administration in e an administration in e democracy. And it smacks of the arrogance of power. the arrogance of power.

It is also not a party matter.

It is a matter for parliament
as e whole, If MPs have any
self-respect, they should make
their views known in
tomorrow's debate. Otherwise fore not entirely satisfactory and certainly not definitive.

Paragraph 231 of the report notes: "The explicit authority of the House would have been days sought to introduce it. e once admirable attempt at parliamentary reform will have been effectively aborted by the very party which in its halycon

Italy's choice of partners

Fiat's takeover proposals et the end of last week, IRI-Finnee-canica, the state bolding company, and the Italian Government are now in a position to decide the fate of Alfa Romco. Since details of the rival Ford bid have still not been disclosed, no full judgment can be made from the outside on the relative merits of the two propositions. But the decision in principle to privatise Alfa judgment as to which prospective one. The company has been and the state bolding group traditionally falls within the Christian Democrat sphere of influence. The sad reality in Italy is that the buge public companies such as IRI and ENI (a socialist basilwalck) are still viewed by Italian politicians as sources of patronage exploited for political aggrandisement.

The disposal of Alfa should be determined principally by a judgment as to which prospective owner is more likely to be one. The company has been and the Christian Democrat sphere of influence. The sad reality in the Christian Democrat sphere of influence. The sad reality in the Christian Democrat sphere of influence. The sad reality in the Christian Democrat sphere of influence. The sad reality is that the buge public cancel in the christian Democrat sphere of influence. The sad reality is that the buge public cancel in the Christian Democrat sphere of influence. The sad reality is that the buge public cancel in the Christian Democrat sphere of influence. The sad reality is that the buge public cancel in the Christian Democrat sphere of influence. The sad reality is that the buge public cancel in the Christian Democrat sphere of influence. The sad reality is that the buge public cancel in the Christian Democrat sphere of influence. The christian Democrat sphere of inf positions. But the decision in principle to privatise Alfa Romeo is certainly a sensible one. The company has been foundering for many years under public ownership, lack-ing effective management and sufficient investment to put its two plants at Arese and against the other and against the pomigliano on a competitive the best possible projections of developments in the prestige car market.

Given the structural overcapacity in the European motor industry, Italy is fortunate to Healthy stimulus bave not one but two of the world's major producers anxious to use Alfa as the basis for strengthening their positions in the medium and high per-

formance car market.

The Flet group's industrial and financial recovery in the last five years bas been impressive by any standards. In view of its prestige as a national flag carrier, it would be surprising if there was not already a strong prejudice in its favour within both IRI-Finmeccanica end the Italian Government.

Political influence

Nevertheless, the decision needs to be made on commer-cial, industrial and technical criteria. In the light of Fiat's dominance of the Italian market and its strong position in Europe as a whole, the Italian Europe as a whole, the Italian authorities should, in theory at least, have less reason to fear the political repercussions of a Ford-Alfa deal than did the British Government when it faced a similar situation a few months ago. The sale of Leyland Vehicles to General Motors and of Austin Rover to Ford would have put virtually the whole of the British industry under foreign control—which is certainly not the case with Alfa.

whose sales are kept at a minimum by an anachronistic 32-year - old integovernmental agreement) but monopoly power tends to be aff-reinforcing, bostile to new market entrants and ultimately, limiting on comments to be argued that the entry of Ford into the Italian industry, through the purchase of Alfa, but to competition.

The decision needs to be seen as free of any nationalist pre-

tendency decisions to be submerged by between the Flat group and the party political considerations. It is especially important that these pressures should be resisted in the case of Alfa, because of IRI's unfortunate relaxed etitude towards foreign in the case of the case point in the direction of Ford, a decision in its favour would demonstrate exceuse of IRI's unfortunate relaxed etitude towards foreign in the case of the case point in the direction of Ford, a decision in its favour would demonstrate exceuse of IRI's unfortunate relaxed etitude towards foreign in the case of the case point in the case of the case point in the direction of Ford, a decision in the case of Alfa, because of IRI's unfortunate relaxed etitude towards foreign in the case of the case point in the direction of Ford, a decision in the case of Alfa, because of IRI's unfortunate relaxed etitude towards foreign in the case of Alfa, because of IRI's unfortunate relaxed etitude towards foreign in the case of Alfa, because of IRI's unfortunate relaxed etitude towards foreign in the case of Alfa, because of IRI's unfortunate relaxed etitude towards foreign in the case of Alfa, because of IRI's unfortunate relaxed etitude towards foreign in the case of Alfa, because of IRI's unfortunate relaxed etitude towards foreign in the case of Alfa, because of IRI's unfortunate relaxed etitude towards foreign in the case of Alfa, because of IRI's unfortunate relaxed etitude towards foreign in the case of Alfa, because of IRI's unfortunate relaxed etitude towards foreign in the case of Alfa, because of IRI's unfortunate relaxed etitude towards foreign in the case of Alfa, because of IRI's unfortunate relaxed etitude towards foreign in the case of Alfa, because of IRI's unfortunate relaxed etitude towards foreign in the case of Alfa, because of IRI's unfortunate relaxed etitude towards foreign in the case of Alfa, because of IRI's unfortunate relaxed etitude towards foreign in the case of Alfa, because of Alfa, because of IRI's unfortunate relaxed etitude towards

WITH THE presentation of IRI initiative was blocked Fiat's takeover proposals et the partly because the state bolding ahte to restore the famous marque to some of its former glory. This involves balancing the rival investment and pro-duct development plans one

Fiat's proposals promise much Fiat's proposals promise much for preserving and developing the independence of Alfa. But they are predicated on a much stronger penetration of the European market by the new Lancia-Alfa company than both marques have seemed capable of separately. The US market may, therefore, assume more importance for the necessary increase in Alfa production than increase in Alfa production than the Fiat plan alows, and there Ford can offer an advantage in terms of marketing and distri-

The question also arises as to whether Flat's current domi-nance of its domestic market should be raised to just over should be raised to just over of per cent by the acquisition of Alfa. The Turin group rightly points out that the Italian market is open to all its rivals (except the Japanese whose sales are kept at a mini-

vith Alfa.

In Italy there has been a judice and certainly free of any nationalist preproducty for industrial suggestion of political trade-offs
acistons to be seen experience last year in trying investment in a key sector and to sell SME, the foods group, to would be a welcome sign of Mr Carlo De Benedetti. The msturity in "the new Italy."

MEXICO HAS a singular meaning in the Philippines. Mexico means growth. It symbolises the willingness of multinational agencies and commercial banks to countenance a expansionary programme that allows a coun-

try to pay back its debts after

growing.
Yesterday in New York, the
Philippines began talks with
representatives of its 483 creditor banks that will test just
how much the world's banking community has accepted this new idea. The Philippines is seeking to reschedule \$3.0bn of debt falling due over the next six years, and to renegotiate a rescheduling agreement reached in May 1985 that covers \$5.6bn. The Philippines bad a total foreign debt of \$26.5bn at the end of June, placing the country in the middle rank of the debtors' league. Mexico owes \$100bn.

\$100bn. But the future of the Philippines still hangs on the success of the New York talks, and or the New York talks, and more than the economy is at stake. The fiedgling government of Mrs Corazon Aquino needs jobs and resources to promote stability. After coming to power in a popular-backed military revolt in February, it must rectars government see

must restore government services, especially in the countryside, if it is to defeat a communist insurgency that remains unchecked. The Philippines can in a literal sense pay its debts, thanks in part to a readjustment programme over the past 30 months that has produced price and exchange rate stability, and acceptable balances in the trade and cur-

rent accounts. Capital flight has ceased, and foreign exchange reserves are growing. Yet while the vital signs are healthier, the patient is too weak to move. The economy, at best, is at a dead standstill, after contracting by over 10 per cent since the end of 1983. Economists reckon that 20 per cent of the workforce is unem-

ployed, 30 per cent under-employed. It is hard for the visitor to fight back his regret for lost opportunities. The Philippines in the 1950s was one of the wealthiest, most promising wealthiest, most promising nations in Asia. Now it is technically eligible for poverty assistance in the same categorles as the poorest in Africa.

Manila was e robust, cosmopolitan regional centre. It is now in relentless decline, overtaken by many of its nearest counterparts. Thousands of homeless children roam the city, selling single cigarettes or flowers at street corners, or just thrusting an open hand through the window of an idling car. The nation's roads and irrigation facilities, its build-

THE PHILIPPINE ECONOMY

A long, hard road ahead

By Steven Butler

A stern steward from the Marcos era

materials or anything else, much less equipment. And if on top of that, you have a continuance of very weak final demand in the normal

markets they serve because of the impact of commodity prices on the real incomes of these people, you can see why it is not easy to turn the economy around."

He dismisses talks among

If any man deserves the title of "steward" of the Philip-pine economy, it is Mr Jose "Jobo" Fernandez (right. He is one of the few senior officials to have been retained from the Marcos era, on the insistence of Mr Jeime Ongpin, the Finance Minister. These two men are key mem-bers of the negotiating team now in New York.

Mr Fernandez is a contro-versial man. He became the versial man. He became the ebject of strong attack in the spring when economic reformers raised a rallying cry of "no more Jobo bilis"— referring to the high-interest Central Bank bills Mr Fernandez issued in 1984 to suck excess liquidity out of an economy with 50 per cent a year inflation. The move precipitated a sharp contraction in the country's business. tion in the country's business.

He was appointed to clean up the Bank in January 1984 after it came to light that the previous Governor had inten-tionally overstated its foreign exchange reserves by \$600m.
Having led the process of retrevehment, Mr Fernandez is now ready for the next

stage.
"I assumed that (retrench-"I assumed that (retrence-ment) was necessary for the Philippines at that stage of crisis," he said in Mantla just before leaving for New York. "But I certainly do not look at that as the be-all and end-all of existence, just to adjust the country to death. We have to (have growth). We in population. Any pelicy mix that does not recognise this is

Mr Fernandez is convinced that an agreement can be reached that meets both the

growth odjectives of the Philippines and the interests of the banks. "Most of those banks have been dealing with the Philippines for a long time," he says. "This government is infinitely more credible than the last one. I had to deal with thet and I know what it ment that the programmes would probably be better handled, with less wastage, less leakage. From the view-point of a creditor this is very important." Mr Fernandez, bowever, Mr Fernandez, bowever, does not see any quick fixes for the economy. "The private sector has been very harshly treated by the adjustment programme of the last 30 months Their balance sheets have been, I don't want to use the word devastated, but their balance sheets are weak their balance sheets are weak. On their own they must have some hesitation about invest-ing, whether it's simply raw

> \$181m for its debt-to-equity that successes in the pro-gramme will snowball.

other government officials that the Government will have to spend more if growth "I don't know where they will get the money. They won't get it from me. We have a programme (with the IMP) and we intend to abide

GDP



ingful things. That has a real accelerator and a multiplier

gramme wilt snowball.

"It is very easy for a bank to look at 30 months of decline and say, well, I'm not going to make a move until I'm absolutely sure I'm on firm ground. I think equity will help that process it equity comes in through the debt-to-equity programme. Confidence builds on confidence. The ingredients are there but you have to see actual live examples of meaningful companies doing meaningful companies doing mean-

As for concern about poli-tical stability in the Philip-pines, the Governor thinks it

"For anybody to assume it should be as calm as a lake after the enormous change that has taken place is to indule in a pipe-dream. I hear the question asked all the time, and I see an attempt to magnify things out of prope tion and not within the fram

The Government refused to adjust the exchange rate, and

of demand, and foreigners have stayed eway.

In the longer term, the comtry certainly has economic potential; a skilled, relatively low-paid workforce, which speaks English and rich agricultural land.

But prices of its key commodities as any area areas and economic potentials.

modities - sugar and coconut products are deeply depressed and show no sign of recovery.

At the same time the industrial infrastructure is weak an the option of mass-producing light manufactures, such as textiles, for export, is ruled out by the current climate of 'international trade.

It amounts to a sobering produce But exponential recent climate of 'international trade.

The Government has re-sived applications worth Per capita 1600 national income 1600 1200 0 1670 72 75 78 77 78 79 80 81 82 83 84 85 1670 72 75 76 77 78 79 80 81 82 83 84 85

economy prostrate,
If the Phitippines does not reschedule its debt, payments will gobble up a projected 40 to 50 per cent of foreign exchange earnings over the irrigation facilities, its buildings and bridges are gently falling apart.

Domestic demand in the Philippine economy has collapsed, prices for export cormodities beve failen often believed production costs, and company balance sheets have deteriorated badly. This integrated mutually reinforcing process of decline has left the

Philippine Finance Minister, to take a hefty slice off the has said that the Philippines bottom line.

will push for a programme that is more favourable than nor Mr Jose Ferndandez, the Mexico's on the grounds that the Philippine economy is in better shape. In Mexico's ing positions, other ministers

These sorts of goals, if they are ectually pursued in New York, are sure to encounter strong resistance by the banks. The Philippines faces no immediate crisis if the talks the IMF, approved last Friday, will lead to the availability of \$1bn of new money. "Certainly we bave all the

"Certainly we have all intended financing we need (for next year)," said Mr Ongpin recently. Yet the money will not last long if the banks do not agree to postpone principal payments that fall due next year.

Even a highly favourable

shaky centrepiece of the Aquinho Government's eco-nomic plan a Pesos 4bn rural spending programme. "It (the rural spending programme) will turn around the economy," says Mr Fernandez, because it will generate some end demand which will hopefully begin to get the private sector in the manufacturing areas turning their wheels

The economic options are

agreement, however, will not pull the Philippines out of trouble by itself. Ten days ago,

Mr Ongpin confidently predicted that the Philippines in 1987 would "have a fine year and

meet our growth target of 6-7

Yet few outside the Govern-

ment believe the economy will grow by anything like that next year, or that the Government's

target of an average of 6.5 per cent growth over six years bears any resemblance to

Most observers do agree, however, that the economy has bottomed ont and that, aided by an IMF-approved expansionary fiscal policy for this year (this allows the Government to spend in deficit up to 4.4 per cent of the GNP) growth

Unfortunately, much of the deficit spending has been absorbed in writing off bad debt

in government banks, as a prelude to IMF - mandated

prelude to IMF mandated privatisation.

This leaves as the rather

The economic options are limited by the country's historical inheritance. In the 1970s the Philippines was out of step with much of the rest of Asia, in adopting an inward-looking, import substitution strategy, rather than seeking export-led growth. In the early 1980s, problems multiplied as prices for the country's major export commodities fell, while petroleum prices and interest rates rose.

adjust the exchange rate, and borrowed to compensate.
Perhaps the bitterest diseppointment of Mrs Aquino's revolutionary Government is that, of the \$10bn to \$30bn that Mr Marcos scared out of the country between 1983 and 1986, here the serve had. none has come back. Domestic businessmen have not yet seen fit to invest without a pick-up of demand, and foreigners have

picture. But successful negoti-ations wish creditor banks will et least make it possible to start the long process of

Street with

White House

Speakes

White House officials are denying that Larry Speakes, President Reagan's optiy-named Press spokesman, is preparing to make an early departure from the administration, taking the same route to e secure future which former budget director, David Stockman, found irresistable — employment by e Wall Street securities house.

Newsweek magazine this week broke the news that Don Regan, the White House chief of staff and former head of Wall Street's and former head of wait streets largest brokerage firm, Merrili Lynch, was smoothing the way for Speakes, But Speakes, himself, is saying only that he has had talks with the firm, that he is always ready to talk to any-body, but that he has "no specific plans to leave," Other White House officials confirm

Speakes has become an insti-tution at the White House since he took over the job, but not the title, of Jim Brady, who was badly injured while coura-geously defending the President



After a day at the Stock last thing I need is a quiet evening in front of the bex"

Men and Matters

during the attempt on Reagan'a life in 1981.

Combining a nimble mind with a subtle vocabulary and (to the White House press corps) an irritating habit of refusing comment, Speakes makes a resolute and effective shield for the President. It will be a relief to many in the administration that he is not leaving in a rush, especially after the controversial depart.

after the controversial depar-ture earlier this month of State

Department spokesman, Ber

Giscard's dream

nard Kalb.

There ought to be a supra-national President of Europe. Valery Giscard d'Estaing opined at the weekend—and he had no hesitation in saying he regarded himself as a good candidate for the post

The former French president's latest ambition emerged during a long interview on French radio. Giscard argued that a common European currency and the appointment of a president would stated. of a president would greatly strengthen the status of Western Europe and the 12 members of the EEC. If there had been a Euro-pean president, Ronald Reagan

pean president, Ronald Reagan would undoubtedly have consulted him before going to Reykjavik to meet Mr Gorbachev, he said.

"I can't understand why there isn't a European equivalent of Washington," he added. A European president would be able to work for greater European equivalent. able to work for greater Euro

For Giscard, the role of President of Europe has obvious attractions. His chance of running again as right-wing candidate for the French presi-dency in 1988 are decidedly slim, with Jacques Chirac, the current conservative Prime Mark Bucknell of Orion Royal, Minister, the hot favourite, was to find co-lead managers.

bigger platform.

Culture cuts

Yesterday's summit on culture between the French and West German governments in Frank-furt, aimed at improving co-operation in language and edu-cation between the two cation between the two countries, did not enjoy the best of days.

First, an early morning cul-tural breakfast planned for ministers and experts from both sides had to be cancelled. The French, following an old national cultural tradition, were

failed to agree on the wording of a planned agreement on cultural exchanges which was to have been the highlight Francois Leotard, the French culture minister, did not help matters by leaving the talks half-way through the afternoon, He has pressing engagements in New York... among them to run the marathon.

Overnight trade

Two English bond traders in New York, disappointed that Wall Street was not planning to celebrate London's Big Bang conspicuously, devised a new product to be floeted. The first step for Stephen Butcher of E. F. Hntton, and

James Capel and Hoare Govett stepped in with e pledge to take 20 each of the new paper. Next an issue price of \$50 was set after hard negotiations over the likely value The price might seem steep. But these high ticket items carried warrants exercisable for unlimited free drinks—for a strictly limited period during

strictly limited period during the night—at Strangfellow's, the Manhattan nightspot.

With a hook like that demand was hrisk, allowing an increase in the original offering from 200 to 300. Virtually every British house in town joined the syndicate.
Tha product may be remembered as the Wali Banger Bond.

Charlotte jilted IF there is one thing that people expect of an Edinburgh finance bouse it is that it should

inance bouse it is that it should occupy a Georgian mansion: either in, or within a few yards of, Charlot? Square.

So, when Dunedin Fund Managers, one of Scotland's faster-growing investment specialists, announced that it was not only leaving 3 Charlotte Square, but was also moving to a modern office block in the a modern office block in the suburb of Ravelston, it is not surprising that the Scottish financial community reacted as if something far worse than Big Bang had happened,
What is more. Dunedin's chairman, Grant Cochrane, has Said publicly what people in Edinburgh usually only confess behind closed doors—that tall narrow houses with many stairs

VDUs. Dunedin, which manages the successful Edinburgh Invest-ment Trust, has expanded out of its present office and is taking two floors in its chosen office block. The actual distance of the move is under one mile. But from the way it is being talked about round Charlotte Square it is as if Dunedin were moving to the middle of a grouse moor,

lack the wide spaces and controlled environments so

necessary for massed arrays of

Observer

CHRISTIE'S= Wine Auction PORT

Christie's will be holding another City Wine auction at the Institute of Chartered Accountants on

Monday 3 November 1986 at 12.30 p.m.

The sale will include Vintage Port, Claret, red and white Burgundy and fine bin-ends.

> Three further City sales are planned for 1987

6 April, 7 July and 3 November

Wine or articles for any Christie's sale may be consigned via our office in the heart of the City of London, offering those working there convenient access to the International Art Market.

For catalogues or any further details of our evening seminars, please contact Simon Birch or Peter Arbuthnot



56/60 Gresham Street, London EC2V 7BB Tel: (01) 588 4424 or 606 1848

5.00

5.00

5.00

5.00

Letters to the Editor

The most important reason for house price rises

Sir, — It is difficult to com-ment on the econometric model underlying John Muellbauer's article (How house prices fuel wage rises, October 23) without studying it in detail. Nevertheless, there are a number of points made which should be

with a mortgage moves once every six years, while the average outright owner lives in the same house for \$\frac{3}{2}\$ years. It is stretching the point a little to suggest that changes in house prices in the intervening years bave an appreciable impact on wage demands, and moreover, have a greater impact on wages than changes in the prices of goods that are in the prices of goods that are purchased every week or

Mr Muelibatier suggests that "there can be no doubt of the

likely that tax relief affects the level of house prices rather than their rate of increase. The withdrawal of tax relief would probably result in a one-off challenged.

Mr Mnellbauer Ignores the but thereafter inflation would fact that owner-occupiers move continue at broadly the same house relatively infrequently. The same relatively infrequently rate as if tax relief had on average, an owner-occupier remained. Also, the current with a mortgage moves once \$30,000 tax relief limit probably the same with the contract of the contract ably acting as a defiationary factor on London house prices, given that the average mort-gage advance in this area is currently £35,000. At the martervening gin therefore, borrowing for preciable house surchase in London costs ands, and 11 per cent (soon to rise to greater over 12 per cent) compared to a changes a tax relief rate of around 8 per cent in other regions. That house prices in London should continue to rise so rapidly in recent years suggests that other factors, such as rising incomes,

mortgage rationing in 1981. If it ax relief was withdrawn tals is the case, why did house prices rise by only 24 per cent in 1982, a year of rapid increase in mortgage lending? The most likely explanation is that real incomes feil sharply in 1981, and remained unchanged in monthly interest payments of monthly interest payments of in 1982. In comparison real amount 40 per cent after signincomes were over 31 per cent higher in the first half of 1986 on promises that the existing that the comparable period of 1985, the most rapid increase since 1979. Experience of events in 1972-73 and 1978-79 suggests that the growth of real incomes that the growth of real incomes that the growth of real incomes in 1972-73 and 1978-79 suggests that the growth of real incomes least!

A M. Colea (Under Secretary), The content of the content factor affecting house prices. Mr Mnellbaner looks at the

central role in house prices lack of building land and rela-inflation of mortgage interest tively low unemployment are tax relief." Can I sow a few more important in explaining lenders to the bousing market" seeds of doubt? It is much more house price inflation than the would be the worst affected. likely that tax relief affects the More generally, it is not the current arrangements case that the "single most would be incautious under a important reason for recent situation with no tax relief and rapid house price increases" many responsible lenders may has been the disappearance of find themselves carrying losses mortgage rationing in 1981. If if tax relief was withdrawn

(Under Secretary), Building Societies Association, 3 Sapile Row, W1 winners and losers following

> vast majority of members, in an organization covering a very wide spectrum of activities

across the range of industry and

This method of distilling the collective views of member com-

panies into a coherent policy is of course, less exciting for the

media than public rows would be; our annual conference will

be; our annual conference will never compete with certain others, in this respect. There are plenty of disagreements within the CRI; but they are resolved in private rather than in public. That this system works, and is preferred by member companies, is best abown by the fact that companies retain their membership.

commerce



The consulting process

From the Chairman and

Sir,—Hazel Duffy, in her article on the Confederation of

British Industry (October 22), chides member companies for

not showing disagreement in public and, by implication, thus

not making the CBI more

Those organisations with a tradition of airing their internal differences publicly usually reap the reward of being asked constantly, by the media, if their latest row has affected their unity. This the CBI avoids, but the does not made to the constantly.

that does not mean that member companies always agree on everything. Fortun-ately, through its consultative

Managing Director, Milliken Industrials

effective.

Debt crisis management

From Dr S. Griffith-Jones Sir,—I was greatly impressed by the article on Mexican debt by C. E. Schumer, R. M. Lorenz and J. F. Castaneda (October 22). Perhaps its most valuable

feature was that people repre-senting different long-term ts in the future both of Mexico and of banks, have together presented an unorthodox solution, which would seem to benefit all parties.

benefit all parties.

There seems an unfortunate gap between imaginative colutions, many of them presented by influential people, and the day-to-day debt crisis management, which is clearly insufficient for coping with the magnitude of the crisis of debt and development of Third World countries. Perhaps the authors could suggest a mechanism or could suggest a mechanism or a forum through which innovative ideas such as their own could be incorporated into the specific deal struck between debtor governments, creditor banks and the IMF. Recent innovations in the Mexican deal with the IMF already incorporate some new ideas, such as linking new loans to further

growth. It seems crucial to accelerate the process of increasing flexibility in debt crisis management, so as to avoid further economic decline in debtor economies, threats to the stability of the international banks and unnecessary losses of exports from indus-

trial countries.

As regards debt relief. I believe it is essential to accom-pany such e proposal with ideas on monitoring the use of the expenditure within the country that will generate or save foreign exchange and/or improve the welfare of its people. It would also seem that debt relief should be accompanied by a significant contribution in resources by wealthy citizens of debtor countries towards funding development. eg. by increased direct taxation on the rich. The burden of the debt crisis should not only be shared more equitably between creditors and debtors, but also between different social groups within debtor societies. expenditure within the country within debtor societies. (Dr) Stephany Griffith-Jones,

Institute of Development Studies, University of Sussex, Brighton.

From Mr P. Watts.

CEGB counts on being developed to take up some of the ground to take up some of the given every opportunity of exposed nuclear power station the first quarter of the next country. But they are not an immediately available alternative believe in the world and certainly to standards—probably to standards that at least equal to standards that the support of the standard that the centurities and the call, the c

The Central Electricity Generating Board will indeed, as he suggests, continue to run the agnor stations so long as it is

vastly superior. All the other options mentioned by Mr Wilson—conservation, alternative sources of energy, combined beat and power—are options which the 15 Newgate Street, EC1.

the safety of nuclear stations (October 8) but be should be advised that the CEGB's criterion for Sizewell B is that the risk of a serious release of safe and economic to do so, but for new capacity the Sizewell B pressurised water reactor is than at Chernobyl) is not Sir than at Chernobyl) is not Sir. Christopher's figure of once in

Revenue from motor taxation

From Mr R. Diment. Sir,—I would not take issue with most of your editorial "Cost and quality in British Bail" (October 23), but your editorial is still 2.8 times greater than costs. accusation that the Government fails to charge motorists for the cost of trunk roads and motorways is simply untrue.

notorways is simply untrue. facts right.

The government forecast of Richard Diment, motoring taxation revenue British Road Federation (from cars, light vans and 6 Portugal Street, WC2.

taxis) to cost ratios for 1986-87

By all means have a debate

on the important issues of transport but please get the British Road Federation.

Up the creek without hope

sir, — in connection with the advertisement in the Pacific Rim survey (October 20) I feel that Magellan would have been unimpressed by BHP's exploration expertise.

when be set out on his voyage he may not have known exactly where he was going, but be knew enough to be aware that he had pointed his ships of "Good Hope" but is not, I thin intended by RHP T. C. Hill. 55, Broome Rd. Billericay, Essex.

From Mr T. Hill

Sir, — In connection with the direction with the direction with the end of the end of the end of the end of the Magellan would have been nimpressed by BHP's exploration expertise.

When be set out on his byage he may not have known tactly where he was going, but in a westerly direction. It was therefore the Cape of Eleven Thousand Virgins, at the entrance to what are now called the Magellan Straits, which be rounded. This may have been of "Good Hope" to his men, but is not, I think, the sense intended by BHP.

T. C. Hill.

From Mr . S. Cord

The Pittsburgh experience

Pittsburgh taxes buildings less than land in order to en-courage new construction and courage new construction and re-employment. For instance, it taxes land at 15.15 per cent and buildings at only 2.7 per cent. A tax on buildings makes new construction more expensive while a tax on land can only encourage owners to use their sites more efficiently (ie, to develop them).

The facts seem to support the theoretical expectations. In the years 1980-1984, when Pittsburgh . was expanding, the difference between its land tax rate and building tax rate, its new construction, as measured by its building permits issued, was 5.9 times higher than in the pre-change years of 1974-1978. For the entire United States, 1930-1984 building permits were only 1.6 times greater than for 1974-78. Pittsburgh did better than the nation, much better— almost four times better.

So it would seem that British cities could also encourage new construction and re-employment by rating land only at its capi-tal value, thereby excluding buildings from local rates without reducing local revenues. Steven Cord, Center for the Study of

2000 Century Plaza (238), Columbia MD 21044, US.

From Mr T. Whittle. Sir,—I found Nick Garnett's article on Pittsburgh's recent economic renaissance (Oct 7), to be highly informative because I bave done extensive research on it over the years.

Prom set I. Whattle.

Sir,—Edgar Buck (October 21) may have a point about value added profits on sale of building land, but this bas no relevance to the provision of and payment for local authority services.

These services are no longer confined—as originally instituted—to bouse occupation (water, sewerage, refuse collection, street maintenance) but cover a very wide range of social services which benefit equally every single resident.
To finance local authorities,
rates are now absolutely untenable because they are based on completely hypothetical assessments of "rental values," pay

ments of "rental values," pay no regard to ability to pay and, worst of all, a widow or single adult living alone often bus to pay the same as a whole family of up to five adult earners.

In Scotland only 28 per cent of electors pay full rates (about 12 per cent in massive Strathclyde region), 34 per cent in England and very low in some cities. All electors can vote for council enanding but only a council spending but only a small minority actually pay. Can this possibly be fair or right? Every citizen pays some national taxation—a child on its

The Government is to be congratulated on grasping this very painful rating nettle, despite the possible loss of votes from the many "losers." At last an anachronism removed and tax-ation with representation re-stored to local democracy. Thomas E. Whittle,

first toys or sweets.

19 Kildoon Drive, Maybole, Ayrshire.

The contribution of the City to economic life

From Mr A. Pearce MEP. Sir,—"Big Bang" is bringing fresh competition to parts of the City where this is much needed. It provokes, however, considerable thought about the contribution of the City to the

the City. There will, however, research, training, development of the role of the City in the country concerned that it is the behaviour and the structure of the City which is responsible for the industrial decline of the country, especially in the country, especially in the country, especially in the country, especially in the country, in the differences in the definition of the City which is responsible for the country, especially in the country, in the differences in the definition of the City which is responsible for the country, especially in the country, especially in the country, in the differences in the definition of the City in financing private industry would be harmful for any financing British industry would be harmful for any country; it is particularly that is the country in the differences in the definition of the City in financing private industry would be harmful for any country; it is particularly that is the country in the country. The fundamental reason lies while in comparison to the US

dustry today must be blamed kind of Bingo-capitalism. For competition, can only be a long-upon the owners of firms. Those nationwide prosperity Conservation activity. Success in the owners are, in effect, in large measure, City institutions. Whereas in more successful Whereas in more successful by its owners, is the City. Can foreign countries, owners of business invest long-term, look for asset growth and insist on 30 Grange Road, West Kirby, highest paid people in Britain people here appear to trade and they and the areas of south in the ownership of industry east England which they inhabit like a form of gambling. From Mr B. Cooke will make even more money Hence the current lack of from the new developments in interest in Britain in the City. There will, however, be many people already to the current lack of the current

tives in the provinces want a fresh commitment to industry

Sir,-The TUC is right to in Britain in call for a "major ass

in the provinces.

The too frequent lack of investment, poor management, old-fashioned ways and inadequate commercial thrust in in-

term activity. Success in the City, essentially making money, can only be a short-term activity. When these two worlds mix, as they inevitably must due to the priority given by private companies to maximising shareholders' returns, the reads of the two parties. the needs of the two parties (one short-term, the other long-term) are in fundamental

This conflict-based system of and all other major inter-national trading countries. Flat 1, Wakeham House,

Michael Prowse on the importance of the cost of capital

The key to competitiveness

2.78

1.71

2.50

At everage interest and inflation rates for the 1960s, using 1965 tex codes.

(*) present regime. (*) with Receion tax reform, (*) with expend

JAPAN HAS grown so fast over the past four decades that at present exchange rates its citiens are technically richer than America's and almost twice as

wealthy as Britain's. . The fundamental explanation

for this near-miraculous growth is to be found in the priority the Japanese place on savings and capital formation. The more a country invests, the greater its potential for future con-sumption. Japan has grown rich quickly mainly because it has resisted the temptation to dissipate gross national product in immediate consumption.

The contrast with pleasure loving Anglo-Saxon economies is stark. OECD figures show that between 1981 and 1984 Japan's gross investment was 29 par cent of GNP. Britain's was a meagre 16.7 per cent and the US's was only slightly higher at 17.3 per cent.

Why does Jepan invest so much? There are numerous possible explanations, some involving cultural and sociolobusinessmen tend to emphasise one point: cepital formation in Japan is high because capital inself is cheap.

Dr George Hatsopoulos, president of Thermo Electron Cor-poration of Waltham, Massa-chusetts, has been trying for years to focus attention on relative capital costs. In hie latest study be claims: "Over the past 25 years American manufacturers have been paying three times as much for capital as have their Japanese counterparts."

The result, be says, has been more than twice as much tang-lible investment per worker in Jepan as in the US. He sees America's bigh cost of capital as the main reason for its steady loss of industrial competitive-

International comparisons of labour costs are readily available. The same cannot be said of capital costs, which are com-plex to calculate because they depend not just on real interest rates but on arcane details of national tax codes, such as depreciation schedules.

However, a recent peper t by two economists at Stanford University, Douglas Bernheim and John Shoven, does attempt an up-to-date comparison of capital costs in the US, Japan, West Germany and the UK. The cost of capital is the pre-tax return which must be earned on corporate investments in order to offer investors a high enough post-tax return to attract their funds. The

is unusually cheap in Japan. In the 1970s, the average real cost of capital in Japan was -1.56 per cent compared with 2.44 per cent in the US. In the 1980s (see table), the cost of capital rose in both countries, but the gap was maintained.

Cost of capital

Cost of equity capital

Post-tax equity return

Real Interest rate

The inefficiency of tax codes measured by the gap tween the cost of capital and between the cost of capital and the post-tax return received by savers—this is known as the "tax wedge." For equity capital, the US tax wedge is 5.14 percentage points compared with 251 points in Japan. This reflects the fact that while equity costs US companies more than 7 per cent, the individuals who put up the money receive less than 2 per cent net.

Beathaim and Change and contract and the point and the costs of the contract and the costs of the contract and the costs of the c

Bernheim and Shoven argue that domestic credit market conditions are the single most important determinant of capi-tal costs. Moreover, they maintain that, even in the face of global capital mobility, governments can exert control over domestic real interest rates.

domestic real interest rates. Japan bus always pursued a mix of fiscal and monetary policies that keeps interest rates low; the US, to its cost, has done the opposite.

Will President Reagan'e tax legislation bring down the US cost of capital? No, say Bernbelm and Shoven; indeed, on the assumption that it does nothing to bring down US real interest rates, it will have a interest rates, it will have a strongly adverse impact. They calculate that the real cost of

overall cost of capital is the the only country among the ment record and West Germany everage of the cost of debt and four considered which does a strong one, equity-financed investments, nothing to alleviate the double Bernbeim is not worried by county-financed investments.

The Bernheim/Shoven study cartainly confirms that capital is unusually cheap in Japan. In the 1970s, the average real cost of capital in Japan was -158 per cent compared with 244 per cent in the US. In the 1980s (see table), the cost of capital rose in both countries, but the gap was maintained.

The Bernheim/Shoven study taxation of dividends and the apparent contradiction. He points apparent contradiction. He poi

Real cost of capital comparisons

4.39

0.70

3.56

1.28

1.33

realised capital gains. Bernheim and Shoven contrast the Reagan reform with the theoretical elternative of a shift to an "expenditure tax," under which all forms of saving would be relieved of taxation. Such a régime would wedge would be eliminated en-tirely—ultimate investors would receive in full the pre-tax return generated by a corpo-

rate investment.

Their analysis explains why

The figures for West Germany and the UK, bowever, suggest that capital costs are by no means the only determinant of investment. West Germany, after all, has the highest tax wedge, indicating the least efficient tax code, and on average it has faced higher real capital calculate that the real cost of cast than the UK. The discrepancy was more marked before 7.16 per cent and the real cost the abolition of British 100 per of equity funds to 8.61 per cent, Moreover, the tax wedge—the indicator of inefficiency—could broaden.

America's equity tax wedge in West Germany. Yet Britain is already high because it is has always had a weak invest-

US(²)

7.16

3.05

8.61

2.89

5.00

US(1)

5.48

2.24

7.03

1.89

5.00

The personal sector's willing ness to save may be the crucial factor. Japanese individuals, despite negative real returns, have more than financed Japanese domestic investment; indeed the capital outflows ere now embarrassing. Attempts to boost investment without the cost of, and returns on, all forms of capital with the life cost of, and returns on, all forms of capital with the life capital with the life capital inflows tax unavoidable capital inflows i en-merely push up the exchange rate and eliminate the potential gains in competitiveness.

If the Anglo-Sazon economies
want to achieve Japanese
growth rates, they may have
to seek a different balance

many businessmen and economists believe the Reagan between consumption and reform is "anti-growth." By raising the cost of capital it stimulate consumer spending from investment to consumption and further reduce US industry's competitiveness. rates, along with the kind of tax changes President Reagan shunned: measures to boost saving and penalise const borrowing,

*The gap in the cost of capital: causes, effects and remedies. George Hatsopoulos and Stephen Brooks. Ballinger Publishing Company, Cambridge, Mass.

†Taxation and the cost of capital: an international comparison. Douglas Bernheim and John Shoven. Paper presented to the American Council for

is to realise your company's potential. To achieve this you must madmise profits, utilise all assets to the full, and anticipate any rewarding opportunities that might arise. It is a huge strategic task which may only be executed successfully

with the help of some outside input.

Corporate Advisory Partnership, a new independent and specialist company in the City of London, concentrates acclusively on providing corporate finance advice, with an emphasis on corporate

We are ideal for the task because our strengths are total objectivity, confidentiality, professionalism and integrity. A small highly motivated team offering a very personal service, we can help you attain your ideal.

For further detailed information about the company where the interests of the client always and demonstrably come first, call 01-489 1980 or write to: Corporate Advisory Partnership Ltd., Knightrider House, Knightrider Street, London EC4V 5BH.



Corporate Advisory Partnership

ere



FINANCIAL TIMES

Tuesday October 28 1986



Japan sets terms for Gorbachev visit

THE Japanese Government is de- Islands, are very small but are manding that the Soviet Union strategically located between Hokagree to give back the seven occu- kaido and the Kamchatka peninsupied islands north of Hokkaido as a la guarding the entry to the Sea of virtual precondition for the pro-posed visit to Japan of Mr Mikhail Gorbachev, the Soviet leader.

nat means that Japan wants to see major progress toward tha signing of a peace treaty between the two countries, which has been in aheyance since the end of the second world war. (Diplomatic relations were restored in 1956).

Japan has refused to complete the negotiation of a peace treaty uncessions in return for the prestige til the Soviet Union agrees to return
seven formerly Japanese islands
north of Hokkaido which it captured in September 1945.

The islands, Shikotan, Kunashir, Etorofu and the Habomaia group of three, which form part of the Kuril

Broackes

By Andrew Taylor in London

SIR Nigel Broackes, chairman of

Trafalgar House, the UK construct-

ion, hotels, property and shipping group, has been asked to join the board of Eurotunnel, the Angio-

French channel tunnel consortium

which is struggling to raise £206m (\$295m) in an international share

By last night the consortium had

By last night the consortium had still not completed the placing, with the deadline for payments for the issue due at 2pm London time on Wednesday, although Eurotunnel said that technically banks could offer the shares until Friday.

The Bank of England, disappointed at the shortfall on the £70m British share of the placing, has been seeking to persuade institutions to reconsider investing in the tunnel.

Following the Bank's lobbying at least one major fund, which previ-

least one major fund, which previ-ously was not among more than 40

British institutions to pledge sup-port, has changed its mind and de-cided to subscribe.

in the House of Commons a re-

quest for an emergency debate into reports that the Government had

sought to bring pressure on the Bank and on institutions, including

British Rail and British Steel pen-

sion funds, to support the placing was rejected by Mr Bernard Weath-

erhill, the Speaker (chairman).

The Government at the weekend strongly denied that it had sought

the Channel tunnel remained a pri-vate-sector venture which had to

Sir Nigel, who with Trafalgar House earlier this year supported a rival scheme for a fixed link across

the Channel, cannot under the

terms of the placing join the Euro-tunnel board until after the issue is

He will join as a non-executive di-

rector. Trafalgar House stressed yesterday that it had made no com-

mitment to invest in Eurotunnel. He has been asked to join the con-sortium in the hope that his zest,

energy and experience will help re-vitalise a project which has stum-

Sir Nigel has maintained close

sion to build a 31-mile rail tunnel under the Channel, defeating the Trafalgar House-backed road and

contact with Eurotupnel since Janu-

ary, when Eurotunnel won the con-

By yesterday the British share of

the placing was understood to have been about £10m short of its target.

There was also concern that institutions in the US, where £20m is due

raised, there was concern about the

position of several major institu-

Analysis, Page 12

bled in recent months.

stand on its own merits.

ence investors, saying that

to join

board

The Soviet Union has argued that Japan should be realistic and forget chev had been invited without pre-chev had been invited without pre-conditions. However, Japan expect-ed that the visit should have histori-cal significance and lead to the conditions are conditions. However, Japan expect-turned, just as other islands, such as Okinawa were as Okinawa, were returned in the post-war period. The Japanese point out that the Soviet Union has

> solid popular support for their re-turn and not a little suspicion that the Government might make convision yesterday that Japan was not prepared to make major concessions in order to secure the Gorba-

Ian Rodger in Tokyo reports on Japan's claim for the return of seven islands occupied by the Soviet Union at the end of the Second World War and the

influence the dispute

have

would welcome the visit, but "not at any cost.*
The Gorbachev visit has been on the agenda since January when the Soviet Union appeared to begin to show more interest in its relations with Japan. So far this year, there has been an exchange of visits of the two countries foreign minis-

bilateral relations.

dormant for several years, a visit to

minister and an exhibition of Japanese goods in Moscow. Also, for the first time since 1975, the Soviet Union last July allowed Japanese citizens to visit relatives graves on the disputed islands withthe two countries' foreign minis-ters, a revival of a science and tech-nology committee that has been Gorbachev's visit was reached in

January, and Mr Gorbachev con-firmed in his Vladivostok speech in July that it was on the agenda Last month, Mr Eduard Shevardnadze, the Soviet Foreign Minister, told his Japanese counterpart at the UN that Mr Gorbachev wanted to come but the visit could not take place this year. Nor could a specific date

There has been some speculation in the Japanese press that the visit would take place next January, but Foreign Ministry officials said they could not confirm this.

Japanese government officials look forward to the visit as an opportunity to discuss Asia-Pacific issues, on which they would have some tough points to make to Mr Gorbachev. The Japanese were of-fended by his accusation in the Vladivostok speech that Japan was violating its non-nuclear principles. Also, his claim that the US, Japan and South Korea were forming a sort of eastern Nato betrayed a sericials say. Japan has no security re-

wines and spirits within 30 days of any Gatt confirmation of discrimi-

The Commission is expected to

launch the complaint today or to-morrow and ask for an urgent rul-ing from the Gatt panel within

A particular concern of the Co munity is that tax changes should be included in the current package

of reforms under consideration in

Tokyo. But Commission officials said that changes recommended by

the Japanese tax advisory commit-

THE LEX COLUMN

Seaq and ye shall not find

could have been more disorderly. all things considered, than it was. Troubles with computers and maker of size to make a stand on the market floor, first thing in the not last, for it is clear that the investment in electronic dealing sys-tems can only be turned over fast enough for comfort if the bulk of trade is done on screen. The floor will be under fire as soon as the electronics are seen to be working properly. That moment will be the true test of the face-to-face theory true test of the face-to-face theory of stock market dealing, and of the nervous skulking behind meaning-less prices in very small sizes which characterised much of yesterday's

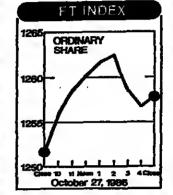
Panel

If the Takeover Panel wanted to buy a stake in the inture regulation of bids and deals, it had no alterna-tive but to come down hard on Hill sampel, Cazenove, Midland Bank sand-alas-AE. On the evidence re-ported by the panel, it does indeed appear difficult to justify Hill Sam-uer's discreet attempt to square the interests of its emporate effect with those of its clients on the fund management side. Equally, it seems an extraordinary decision by all con-cerned with Midland's purchases of AE shares to keep so quiet about the matter.

price setting (at any rate on screen).

The minute distribution of blame and censure is all very well. What matters about the panel's sentence is the remarkable amount of lati-tude that Turner & Newall has been given — as to how, when and at what price it may decide to have another go at AE. From the standpoint of a frustrated bidder with a lot of ex-pensively acquired stock still to carry, every privilege must seem a right. The freedom to buy more shares, absolution from the further expense of cash underwriting, and the shility to pitch a new bid as low at the market will telerate, mist seem only fair to Sir Francis

Hill Samuel, at least, is already arguing that interpretation of the rule on disclosure is being retroaceven extended in its applic places where it never reached be-



it would have said, had it been con-sulted. The risk that the censured parties may decide for the courts, rather than further consultation with the panel executive, is great. The panel is to be applauded for taking that risk. The unfortunate AE will clearly suffer a self-right-eous City backlash, and so more particularly, will Hill Samuel.

Daimler-Benz

Third-quarter statements from Daimler-Benz are not the most re-vealing of documents, but the dry vealing of documents, but the dry catalogue of production and sales figures does tell a tale, if not a very surprising one. Daimler's motor business is proving very robust even where a weaker dollar has theoretically inflated D-Mark costs

theoretically inflated D-Mark costs in vehicles exported to North Amer-ica by almost 50 per cent, Leaving APG out, Daimler's group sales were up just 4 per cent by value in the first nine months, But sales from the parent company - which comprises everything that matters in motors except Brazil -rose 10 per cent, with a 7.5 per cent increase in exports. Daimler was able to increase its premium prices by double figure percentages in the US in the year to September, with

is good. Unlike the other German motor manufacturers, Daimler will with a rights issue. The shares have surely be reporting increased earnings on a diluted basis this year – liable customer, the UK motor inthough Daimler's share price fell dustry, has seen to that The 190p possibly though Daimler's share price fell dustry, has seen to that The 1supation to DM 9 to DM 1,221 yesterday. In rights price now looks rather sick, had be-Germany, there has been a shift in in the light of post-acquisition tradfore. This is pretty weasel stuff the product mix to higher-margin pas- ing at AP.

dle range are up 20 per cent while sales of compact cars are actually down a bit. And Daimler's US subsi-diaries will certainly have hedged this year at a level above DM 2 to the dollar. What happens next year is a different matter altogether.

nion

Barker & Dobson

Running a public company would be fine but for the shareholders. Barker & Dobson's offer to pay the dealing costs of small investors who sell seems a curious way to win friends. As Barker shares are the sort that can easily double (or haive) and have usually cost only a few pence, it is hardly surprising that most small shareholders want to stay for the ride and have given the deal, which closes today, a thumbs down rather than a victory

V sign.
Instead of taking its huge share register as a compliment – and the list has swelled by thousands since Mr John Fletcher took over – Barker would prefer to have only holders of 5,000 or more shares, worth a little over £750. Even better would be a register containing only those willing and able to take up rights issues, namely the institutions which are the main takers of any shares now being sold. Any reduction in the expense of servicing sharehol-ders would be added to profits. So Barker is offering the small investors the chance to make the lessthan-supreme sacrifice by laying down their profits for its friends. A better way to lose the small specu-lators would be for Barker to outgrow its penny stock status. The one-for-10 consolidation is only the start of the process.

A share price based on doing mi-raculous things with the cast-offs of other conglomerates (including the US in the year to September, when it absorbed Automotive Production of the grey market in exports from redoubtable BTR) is a magnetic the grey market in exports from redoubtable BTR) is a magnetic than the grey market in export and a stock-The outlook for profits this year ucts earlier this year and a stock-

€: 32rei

Brussels seeks ruling on Tokyo liquor tax BY QUENTIN PEEL IN LUXEMBOURG

Eurotunnel

on Tariffs and Trade (Gatt) on alleged unfair Japanese taxation of imported wines and spirits, in a test case intended as part of a deliberate escalation of European trade

failure to observe Gatt obligations. They also urged the European Commission to target new areas for sim-

lar vigilance" to be exercised by

BY JOHN WYLES IN ROME.

holding group which controls Alfa Romeo, last night pressed the Fiat

group for more precise information on its proposed takeover bid for the

criticising the proposal, Finmecca-nica said that Flat's proposed

L8,000bn (\$5.7bn) total investment

lacked a clear statement on how

control of Alfa.

The Ford offer is very clear in

this point, and at the moment we

cannot make a clear comparison. We hope that Fiat will make its of-

fer precise in the next few days," the group said. The holding compa-ny is committed to providing a final decision on Alfa's future by Novem-

Detailing its proposal last Saturday, Mr Cesare Homiti, Fiat group's managing director, said that 1.5,000bn would be invested in the

proposed new company linking Alfa and Fiat's Lancia subsidiary, of

which 75 per cent would be spent on

ber 7.

smaller car company.

While stressing that

Fiat pressed for more

details of bid for Alfa

FINMECCANICA, the Italian state- cover the purchase of Alfa's capital

lacked a clear statement on how L1,500hn but has clearly avoided acmuch it was proposing to pay for trally offering that amount. Executives indicated last Saturday that

Mr Willy de Clerq, the European Commissioner for trade relations, told the ministers that the main pressure on Japan.

Community foreign ministers systemay gave their approval to the immediate launching of a complaint under Article 23 of Gatt – a sectors under consideration for targeting included electrical goods, medical equipment, and the immediate launching of a complaint under Article 23 of Gatt – a

spirits - the subject of negotiations with the Japanese Government for several months - was a "test case The ministers called for "particu- for the goodwill of the Japanese." It was an area in which the com-EEC trade officials in Brussels over petitiveness of EEC producers - measures.

the whole range of Japanese ex- both of wines and of spirits such as . The ministers also inserted a preliminary to comment upon.

from Finmeccanica and fond losses

up to its projected break-even in

Mr Romiti said that Fiat was pre-

pared to take immediately anything between a 51 per cent stake and full

Fiat says that Alfa's book value is

that Finmeccanica would be given all the details it wants. You must remember that Ford had five

months to appraise Alfa. We have

put our offer together in three weeks, the company said. Ford is believed to have offered L140tm for an initial 18.5 per cent

stake in Alfa. Its holding would rise

to 90 per cent after three years at a

price of between L8bn and L11bn

ownership of Alfa, according to Fin-

meccanica's wishes.

THE EEC is to seek an urgent ruling under the General Agreement trade surplus with the EEC was on Tariffs and Trade (Gatt) on al
\$13.3bn in the first nine months of of discrimination were well wines and spirits within 30 days of

EFC exports in that sector in 1985, totalling £170m, could have been doubled without the tax and tariff system penalising products by mak-ing them more expensive than local The council endorsement of the

Article 23 action on alkaholic drinks marks the latest clear escalation in EFC pressure on Japan, which is intended to signal European frustra-tion at the lack of results from To-kyo's promised "market-opening"

Sale saves Occidental from slide into red

BY OUR FINANCIAL STAFF

in the third quarter by a \$100m gain on the sale of the group's 20 per store operator.

The gain helped the group to re-

cord net profits of \$39.1m, or 12 figure includes a \$30m charge and cents a share, against \$381.7m or \$3.07, last time. However the 1985 quarter included a \$424m gain, of workiwide oil and gas operations which \$151m was included as an exthey expected a discount to this book value, bearing to mind that Fiat was committing Lancia to the new company which is to be the vehicle for Alfa's development.

Fiat gave assurances last night that Finneccanica would be given all the details it proving the committee of the c traordinary item, from the sale of 50 per cent of Occidental's interests in Colombia.

The oil and gas operations, domestic and foreign, reported a loss of \$2.8m for the quarter, compared with earnings of \$328.2m previous-

Lower prices for crude oil, nataral gas and natural gas liquids in all Occidental's markets significantly hit sales and operating results. Earnings also fell in the agribusiness and coal divisions. But the chemicals sector, which included results from the recently acquired Diamond Shamrock, was ahead. At the nine-month stage net earn-

ings fell to \$161m, or 61 cents a share, from \$643.3m or \$4.30. Sales edged ahead from \$3.4bn to loss includes a \$23.1m extraordi-\$3.7bn in the quarter, and from nary charge. \$10.8bn to \$11.2bn for the nine Third-quarter net operating profit

months.
Atlantic Richfield blamed a steep decline in third-quarter net profits

OCCIDENTAL PETROLEUM, the natural gas liquids and natural gas.

Los Angeles-based oil group headed Mr Lodwrick Cook, chairman, by Dr Armand Hammer, has been warned that the group's profits kept out of the red at the net level would continue to be depressed if the prices remained at current lev-

> cents a share, compared with \$403m, or \$1.98 last time. The latest an \$11m tax credit. After-tax earnings from Arco's

with \$304m. The group said the oil price decline had been offset by lower operating and exploration expenses and higher crude oil production volumes, and a \$25m gain from non-recurring items. Nine-month net profits were

\$551m or \$3.03 a share. Last time the group was \$344m in deficit after taking a \$1.5bn charge in the 1985 second quarter.
Sales fell for both the quarter and

the nine months - from \$5.5bn to \$3.5bn and from \$17bn to \$11.6bn respectively.
Pamzoil, the Houston-based oil

and gas company embroiled in a court battle with Texaco over Getty Oil reported a third-quarter net loss of \$10.1m on sales of \$422.3m. The

was \$13.0m or 22 cents per share, compared with \$44.4m (94 cents per share) in the corresponding 1985 pe-

on the drop in prices for crude oil, riod, when sales totalled \$464.0m.

Continued from Page 1

The projects were put forward more tightly focused than schemes under another set of recently introduced rules that increase the Eurostates for investing in economically

In this way, the Commission hopes to make regional spending and equipment supply.

underprivileged areas.

ility studies into bringing advanced telecommunications to the regions concerned, demonstration projects

Texas Air profits record BY DAVID BLACKWELL IN NEW YORK

renewing Alfa's plant and products. price of between L8bn and L11.

The remaining L3,000bn would per percentage point of capital.

TEXAS AIR, which last week was given final approval by the US Transportation Department for its takeover of the troubled People Express, has reported its largest quar-terly profit since its formation in

The airline, which will become the biggest in the US with 25 per cent of the market when its acquisi-tions of People Express and East-ern Air Lines are completed, boosted third-quarter net profits to \$125m or \$3.54 a share from \$68.8m or \$2.85 last time.

to be raised, were holding back while the British placing was sorted out. In France, where £70m is to be The latest figure includes

\$18.5m tax gain, compared with a

\$32.1m tax credit in the previous period.

The group said the result reflect-ed a substantial increase in net in-come at Continental Air Lines, which is 73 per cent owned by Texas. In addition there was a gain of more than \$30m realised by New York Air on the sale of certain assets to Pan Am.

Sales rose from \$541.2m to \$611.6m for the quarter, and from \$1.45hn to \$1.55hn in the nine months, when Texas earned \$73.7m or \$2.50 a share, well down on \$122.6m or \$5.50 a share last time.

However, the nine-month decline is not so steep when tax credits of \$18.5m and \$55.3m respectively are taken into account.

Poor region funds agreed

pean Commission's power to put forward special programmes out-side the fixed spending which con-stitutes the bulk of the regional

Star is intended to pay for feasib

Alexanders Discount p.l.c.

"Alexander would cash my bill down on the counter, Sir. (John Sedley in Thackeray's Vanity Fair).

... and we still will.

Alexanders Laing & Cruickshank Holdings Ltd THE INTERNATIONAL SECURITIES HOUSE

For further information please contact David Newcomb or Slephen Bullet ALEXANDESS DISCOUNT p.Lc. 65 CORNHILL LONDON SCOV 3PP TELEPHONE 01-626 6467 TELEC 663 126

World Weather

Big Bang crash as systems overload

Continued from Page 1

New Court, one of the few market-making firms to prefer the floor to Warburg Securities, reported that ed series of interlinked systems. It the telephone, benefited from a investors took advantage of the new is hardly an ideal design but it was

hearsal 10 days ago appeared to

David Scholey, chairman of Mercu-fully, there were few important as well as Epic (the computers ry International Group, one of the company announcements which largest UK securities houses. The might have stimulated trading and market activity) and Topic, a chear most worrying thing would have put further pressure on the Topic and simple viewdata system which been a general frenctic feeling but system. been a general frenctic feeling but system, in fact everyone has been quite Alan Cane in London writes: Topic television sets, some 10,000 of

rules to by-pass stockbrokers com-Most dealers remained relaxed pletely by dealing directly with considerations of cost and relieved that the fault lay with Warburg in about 35 per cent of its velopment timescale. the stock exchange computers rath- transactions. Other securities er than with their own. Most of the houses recorded slightly lower figdefects in their own systems which ures but all expected the proportion became apparent in the dress re- to increase in the next few months. The total volume of trades on the first day of the new system was

"It has been a success," said Mr about average for a Monday. Merci-

forced on the stock exchange by considerations of cost and the de-The Seaq computers process quotes, quote changes and transac-

tion reports from market makers and feed the information out to a series of other systems - the surveillance computers, for example which hold permanent records of all Seaq is not a single computer sys- them, in the market place.



SECTION II - COMPANIES AND MARKETS

FINANCIAL TIMES

Tuesday October 28 1986

like these were heretical. Gemein- turn of the century.

Peter Bruce in Bonn examines the dramatic effect of the Neue Heimat scandal

German unions march towards the bourse

BGAG is committed to making funds available to it beyond the

Second, management in the BfG



Union Carbide in black after \$252m gain from disposals

in the third quarter, reflecting a

programme and an extraordinary credit of \$19m from the repurchase

Market School of

a saluzi Urbasi Urbasi

355

1 4 min 5

.

A. 1 PERMIT

Income from continuing opera-tions totalled \$42m, against \$26m in the 1985 quarter when the special items from the restructuring are ex-

The company said its biggest sec-tor - chemicals and plastics - per-formed particularly well, with op-erating profits nearly four times those of the previous quarter.

Discontinued operations showed

a loss of \$4m compared with \$32m profit in the previous quarter, excluding restructuring charges. The group said that discontinued Sales for the nine months operations included battery prod- at \$4.75bn, against \$4.8bm.

UNION CARBIDE, the US chemical ucts, home and car products, film group which has been undergoing a packaging, agricultural products, major restructuring in the wake of specialty polymers and composites the 1984 Bhopal disaster in India and the metals business. With the when at least 2,000 people died, returned to the black at the net level unit all these were sold by the

or \$2.94 a share.

This compares with a loss last time of \$543m, or \$2.58 a share - a loss that includes special charges of \$620m relating to the restructuring programme and an extraordinary conditions.

nesses up for sale in a continuation of the disposal programme aimed at paring the group down to three key areas where it has market leader-

\$991m, or \$9.56 a share, including gains of \$588m from disposals and \$270m from pensions. Last year the group was in the red by \$371m, or \$1.76 a share.

Income from continuing of tions, however, declined to \$116m compared with last time's 136m when special items are excluded. Sales for the nine months were flat

Record three-month income for Textron

BY DAVID OWEN IN NEW YORK

TEXTRON, the Providence -based \$1.95 a share on sales of \$3.01bm aerospace, commercial products from \$73.1m or \$1.81 a share on and services company, announced record third-quarter income from The group said pre-tax earnings continuing operations of \$65.2m, or on its combat aircraft line were

\$1.4bn a year earlier.

However, overall net income fell sector, pre-tax earnings fell by from \$70.8m, or \$1.94 per share, in \$8.2m after a write-off directly rethe third quarter of 1985 to \$66.5m, lated to the space shuttle disaster. or \$1.61 per share, in the latest At the nine-months stage, net quarter. A net \$8m gain in the 1966 carnings fell to \$184.9m or \$4.57 a

The company has been restruc-turing vigorously. According to Mr which dropped to 54.3m, or 10 cents B. F. Dolen, president and chief ex-a share, against \$16m, or 36 cents a ecutive officer, the improvement in continuing operations reflects in-

ed interest rate expenses.

ter taking charges totalling \$42.5m

sales of \$2.88bn.

\$1.58 a share, up 60 per cent from \$80m down on the previous quarter, \$40.7m, or \$1.12 per share, a year mainly because of a reduction in the final price for CF-18 aircraft be-Turnover was \$1.8bn, up from ing sold to Canada.

period was largely offset by an ex-irandinary loss arising from the \$250.9m or \$6.24 on sales of \$8.39bn. early redemption of company de-Gould, the US electronics and defence group, suffered a sharp de-

Sales in the struggling Illinois creased defence programme deliveries, industrial business gains and reduced interest rate expenses.

based group, whose chairman, Mr william Yivisaker, resigned last month, amounted to \$227.4m for the McDonnell Douglas, the US aero-space group, suffered a sharp down-turn in third-quarter net profits af-turn in third-quarter net profits afrevenues slipped to \$681.4m from \$690m, while net losses amounted in its combat aircraft and space systems businesses.

Net earnings fell to \$42.6m or riod of last year of \$110.6m.

Kaiser agrees to sell property

BY OUR NEW YORK STAFF

KAISER ALUMINUM, the third 1986. biggest . US aluminium producer which sharply reduced its thirdwhich sharply reduced its third-quarter loss earlier this month, has Kaiser subsidiary will be terminatagreed to sell a subsidiary holding ed as part of the sale and largely

In addition more than \$325m in

agreed to sell a substantly housing ed as part of the sale and largely refinanced by the buyer.

The sale to Kemper/Bedford Properties will realise about \$130m in cash, most of which will be available to reduce Kaiser's debt for the end of the year.

spurred on by the managerial and commercial disasters that forced DM 62.7bn at the end of 1985. There was a time when thoughts

them to sell Western Europe's big-gest property group, Neue Heimat, for a nominal DM 1 (30.50) last month, are preparing to make more dramatic cuts in their business inearly last week for refusing to testi-

beginning of the third quarter.

Net sales for the quarter declined
by 2 per cent to \$1.55hn from iy to a Bundestag commission on the sale of Neue Heimat, Mr Alfons s252m gain from disposals.

The gain, taken mainly on the sale of its home and car products

\$1.55m. Domestic sales were down

\$1.55m. Domestic sales were down

\$290m.

\$200 per cent to \$1.55m. from

\$200 per cent to \$1.55m. from

\$200 per cent to \$2.55m. Lappes, chairmann of BGAC, the union holding company, said the unions were actively investigating ways to "open up" their other busi-nesses to outside shareholders. The mions assets are impressive. Mr Lappas was talking chiefly about the Volksfürsorge, the country's third-biggest insurer, with

ship - polytheylene, industrial gases and graphite. Nine-month net earnings were

Cominco cuts losses in quarter

born with an equally noble purpose.

Gemeinsoireschaft used to be

held up as a shiring example of how workers could look after them-

selves in their own special way

But two things have happened. First, Neue Heimat and its DM

17bn habilities have got the unions

within a capitalist system.

BY BERNARD SIMON IN TORONTO

premium income last year of DM 2.58bn (\$1.29bn), and the Bank für

Gemeinwirtschaft (BfG), the 12th

COMINCO, the Vancouver-based metals and fertiliser producer recently taken over by a consortium of Canadian, West German and Anstralian mining companies, reduced losses to C\$14.8m (US\$10.72m), equal to 27 cents a share, in the three months to Sept 30, from C\$23.4m or 49 cents a share a year earlier. Sales dropped from C\$315.4m to C\$282.8m. Nine-month net losses fell from

C\$25.6m to C\$11.9m, including extraordinary items. Higher zinc, lead and gold prices

contributed to a third-quarter turn-round in the metals division from last year's operating loss of CS8.5m to a CS8.4m profit. But this improvement was partly offset by a jump in ertiliser losses from C\$7.7, to C\$16.4m, reflecting lower prices and sales volumes of potash, ammo-

The company said it expects the improvement in its metals business improvement in its metals business cent per share loss after payment of to continue in the current quarter, partly as a result of mine and plant from C5782.3m to C5828.1m.

closures aimed at controlling inventories and other costs.

pend on autumn weather conditions following the late grain harvest in most of North America. Low fertiiser prices are expected to persist. the sale of its interests in two Cana-Cominco said it is reviewing its dian gold mines and Falconbridge liser prices are expected to persist. loss-making activities and the carrying value of its assets. Any write-downs will be included in end-1988 financial statements. The new controlling sharehol-

ders, headed by Teck of Vancouver, have quickly replaced senior management and further personnel changes are in the offing.

The two Canadian resource companies, Neranda and Falconbridge, have reported improved third-quarter despite the continuous con

some areas. last year, equal to 33 cents a share, into a profit of CS4.7m, equal to a 5

Falconbridge's earnings advanced to C55.6m or 9 cents a share from CS3.7m or 9 cents a share a year earlier. In addition, the company recorded extraordinary gains of C\$49.4m or 83 cents a share from

Copper, revenues rose from C\$206m to C\$279m.
Noranda's performance was badly dented by strikes at a Quebec zinc smelter, at British Columbia sawmills and at one of its aluminium subsidiaries. Summer shutdowns and a very weak potash mar-

ned weakness of the metal price. ter results, despite setbacks in ome areas, Earnings for the period amount. Noranda turned a C\$38.6m loss ed to \$1.6m. After deducting the first quarter loss this leaves the company with a net profit of \$1.8m for the first nine months of the year compared with \$44.5m in the same period of 1985.

union umbrella body, the Deutscher Gewerkschaftsbund (DGB), rumbles a much more fundamental debate, however, Should the unions be in business at all?

wirtschaft, a cousin of the co-operative concept was meant to serve and the Volkstürsorge have become worker security. Neve Heimat was angry and disillusioned at their asthere to provide union members sociation with Neve Heimat and, at with comfortable housing. The Coop retail chain, which the EGAG disposed of earlier this year, was capital markets since the Govern-Although the last DGB convention showed itself a little uncertain by voting not to allow the healthy BGAG boldings to bankroll Neue capital markets since the Govern-ment of Chancellor Helmut Kohl Heimat, radical union leaders believe that the DGB should simply rid itself of all business.

came to power in 1983. They are said to be lobbying hard for more The prospect of the BfG, or, though highly unlikely, the Volksfürsorge, getting into trouble terrifies the sell-it-all-now school because the collapse of Neue Hei-Floating off either group or self-ing parts of them to chosen buyers (it would not be the first time bigger West German hanks and insurers mat has had such a debilitating efhave shown an interest) may help fect on the union movement as a into deep financial trouble just as solve union liquidity problems they feel they need financial while at the same time relieving whole. Members have certainly been lost, but what burts most is strength to fight off attacks on their considerable powers by the conser-vative Government. Even though the political shame.

The future of Geneinwirtschaft

that the unions should hold on to control of the BfG and Volksfürsorge, even with new shareholders, may hold sway in the are not likely to want to make charitable investments. Intense specula-tion at the weekend held that a ma-

Mr Lappas was quite clear about what he wants. Although his future at the BGAG is at best delicate, be reflects thinking in the Frankfurt headquarters: "We must find ways to meet the capital requirements of out tying up further union assets," be insists. the (union-owned) companies with-

for partner for the BfG would be found before the end of the year.

But with the stench of Neue Hei-mat ever fresh in the noses of 150 anxious creditor banks, the unions

Barclays SA assets decline by year-end

BY JIM JONES IN JOHANNESBURG

overall size in its latest three

er than the R19.37bn reported in June 1986, The bank last year cessed to be a

subsidiary of Barelays Bank PLC and although the British group re-mains the largest shareholder with 40.4 per cent of the equity, the South African bank has changed its financial year end to September 30. Interest income was R1.82bn for the nine months to September against R2.81bn for the previous full year, while the interest expense was R1.23hn against R2.19hn. Pretax profits were R180.7m against R181.2m and net earnings were R107.3m against R111.5m.

BARCLAYS NATIONAL Bank, Mr Chris Ball, the managing discouth Africa's largest banking rector, said benefits flowed from an group, showed a contraction in its improvement in the interest turn. improvement in the interest turn, tight cost coatrols and higher effi-Total assets were R18.75bn vestment in systems. He added that (\$8.25bn) on September 30 which the debt provisions had to be invas slightly higher than the R18.65bn of December 1985 but lower than the R19.37bn research of the case that respected allower than the R19.37bn research. high interest rates and the severity of the recession in non-mining sec-

> Interest rates have been falling steadily since May 1985 in respons to progressive bank rate cuts. At present the commercial banks' prime overdraft lending rate is 13.5 per cent against 25 per cent in May last year.

Barclays' earnings were 148 cents in the past nine months against 182 cents in the previous year and a to-tal ordinary dividend of 71.25 cents has been declared against 95 cents.

Daimler turnover boosted by AEG

DAIMLER-BENZ, the big West German industrial group best known for its range of high-quality cars, yesterday confirmed that sales for 1986 would rise strongly. For the first nine months group turnover increased by DM 9.1bn to DM 47.5bn (\$23.7bn). Daimler pointed out, however, that the inclusion of the AEG group for the first time accounted DM 7.57bn of the upturn. The year as a whole was expected to see turnover rise to DM 85bn. Daimler said. This estimate falls marginally short of the DM 67bn of sales which the group looked forward to as recently as July.

Daimler said it expected another gratifying profit in 1986. It gave no details of earnings to date but said the group has been profitable over-all with a considerable rise in sales in the US compensating for the low-

Car production is likely to rise to 595,000 this year from 541,000 in 1986, it said. Demand for Mercedes cars at home and overseas continued to exceed production capacity in the first nine months. Domestic car sales in the period were about

224,000, up 9 per cent.

Daimler said its three new subsidiaries, AEG, the electrical group. Dornier, which makes aircraft, and MTU, the engines group, had continued to develop positively.

Conditions for AEG's activities had improved markedly, act least due to last year's capital increases, Daimler said AEG, which is 56 per cent owned by Daimler, expects turnover and incoming orders to rise overall in 1986 because of a revival of activity in domestic busi-

Daimler, unlike other manufacturers, was able to increase car exports to around 218,000 units, the company said. The fall of the dollar had not affected sales of Mercedes cars. The company planned to boost Mercedes sales in the US

Steyr expects to fall further into the red

BY PATRICK BLUM IN VIENNA

STEYR-DAIMLER-PUCH, Austria's troubled vehicles and weapons group, is likely to see its losses this year' exceed the Sch 618m (\$44m) recorded in 1985, Mr Otto Voisard, Steyr's general director and chief executive said yesterday. Mr Voisard said Steyr would be out of the red by 1989 and that its losses in the next two years would be smaller than those since 1984.

Management has decided to car-

further rationalisation of produc-tion lines and an injection of Sch 2.5hn to cover losses and pay for new investment until 1990.

and starting from January 1 1987 Steyr will be transformed into a holding company with responsibili-ty for the production of tractors and

The rest of the group's activities will be divided between five separy out a major reorganisation and will be divided between five sepa-restructuring programme which rate and independent subsidiary will include substantial job cuts, a companies.

Mitsubishi buys into US group

nischfeger, the Milwaukee engi- also expand MHI's sales area for

neering group which in February papermaking machines,

BY IAN RODGER IN TOKYO

MHI, which makes papermaking comport machinery under licence from Be-loit, bought the stake from Har—The

The investment in Beloit would

MITSUBISHI Heavy Industries agreed to pay \$175m for the whole (MHI) of Japan has purchased a 20 of Beloit.

per cent stake in Beloit, the US papermaking machinery group, for with Beloit in research and development and deve ment, production of machines and

Skandinaviska Enskilda Banken

This announcement appears as a matter of record only

DKK 300,000,000 101/4 per cent. Capital Notes due 24th October, 1991

Enskilda Securities

Banque Internationale à Luxembourg S.A.

Deutsche Bank Capital Markets Limited

Privatbanken A/S

Banque Bruxelles Lambert S.A.

Banque Générale du Luxembourg S.A.

Banque Scandinave en Suisse

Banque Paribas Capital Markets Limited

EBC Amro Bank Limited

Crédit Commercial de France

Generale Bank

Kredietbank International Group

Merrill Lynch Capital Markets

Mitsubishi Finance International Limited

Swiss Bank Corporation International Limited

Norddeutsche Landesbank

Kansallis Banking Group

Sanwa International Limited

Sparekassen SDS

Union Bank of Finland Ltd

October 1980

This announcement appears as a matter of record only.



HOLMENS BRUK AB

U.S. \$75,000,000 **Euro-Commercial Paper Programme**

The undersigned are pleased to announce the commencement of the Programme for which they will act as Dealers

Enskilda Securities Skandinaviska Enskilda Limited Chase Investment Bank

lesuing and Paying Agent The Chase Manhattan Bank, N.A.

October, 1986

This announcement appears as a matter of record only. October 1986

AMOCO NETHERLANDS PETROLEUM COMPANY

\$90,000,000 Corporate Borrowing Base Facility

Lead Manager & Engineering Agent

Bank of America NT & SA

Co-Lead Manager & Paying Agent

Algemene Bank Nederland N.V.

Algemene Bank Nederland N.V. Bank of America NT & SA National Westminster Bank Group

Amsterdam-Rotterdam Bank N.V. Canadian Imperial Bank of Commerce Commerzbank International S.A. Den norske Creditbank Deutsche Bank Aktiengesellschaft Swiss Bank Corporation Union Bank of Switzerland

Arranged by

Bank of America

announcement appears as a matter of record only. It does not constitu an offer to sell nor a solicitation of an offer to buy these Certificates.

U.S. \$300,000,000

Certificate of Deposit Programme



COMPAGNIE FINANCIERE DE CREDIT INDUSTRIEL ET COMMERCIAL

Dealers

Shearson Lehman Brothers International Merrill Lynch Capital Markets

October, 1986

AA ACCOLADE FOR AEGON AEGON's recent US\$125 million Eurobond has earned us an Aa3 rating from Moody's Investors Service. It is the first AEGON security to be rated - and it won't be the last. Insurance Group NASDAQ trading symbol AEGNY Department, AEGON Insurance Group. PO Box 202, 2501 CE The Hague, The Netherlands. Please send me more information about AEGON. PLEASEPRINT FT 27/10

AEGON Insurance Group - International growth from Dutch roots

INTERNATIONAL COMPANIES and FINANCE

MOULINEX, the French kitchen equipment manufacturer, has reported a sharply higher loss of FFr
199.8m (\$30m) in the first half of
this year compared with a loss of
FFr 17.1m in the same period last
compared with operating earnings
that the special one-time loss
factor, the company's operating performance has improved with the
company reporting an operating
profit of FFr 68.2m for the first half
for compared with operating earnings
that the special one-time loss
for company's operating performance has improved with the
company reporting an operating
that the special one-time loss
for company's operating performance has improved with the
company reporting an operating
this year.

The higher first-half loss confirms financial forecasts of a sub-stantial deficit. However, the first half losses reflect major provisions and other special elements totalling FFr 241.8m and related to the group's restructuring and recovery

In the same period last year, Moulinex's results included special gains of FFr 20m.

Glass

interests

Without the special one-time loss compared with operating earnings of FFr 7.1m in the first six months

of last year. Moulinex sales declined by 2.5 per cent in the first six months to FFr 1.37hn from FFr 1.48bn during the same period last year. However, the company said sales were pick-

year they totalled FFr 2.23bn or 1.42 per cent lower than the FFr 2.27bn sales for the first nine months last

Losses sharply | Capital gains boost earnings of up at Moulinex troubled Swedish conglomerate

NORDSTJERNAN, the troubled Swedish conglomerate with interests in shipping, steel, construction, retailing and engineering, has staged a modest recovery in the first eight months of the year increasing profits (after financial teems) to SKr 172m (\$24.7m) from SKr 12m in the corresponding period last year.

Nordstjernan, Sweden's 12th sales of some SKr 4.4bn and a seven sales of some SKr 4.4bn and a workforce of 4.800 Improvements in operating income this year have chiefly come from the shipping and special steel divisions, while the engineering division ran up a loss (after financial teems) of SKr 17.6bn.

Group turnover in the first eight

capital gains of SKr 86m on the sale compared with SKr 11.6bn a year of ships and property which are in-earlier. Some SKr 1.52bn of the re-

jumped to SKr 284m from SKr 5m On a comparable basis turnover fell in the first eight months of 1985 by 3 per cent. helped by net extraordinary gains of SKr 112m from the disposal of operations chiefly in the engineer-ing division.

od last year.

Group turnover in the first eight reapital gains of SKr 88m on the sale compared with SKr 11.6bn a year ferred a loss of SKr 21m.

by 3 per cent. In an attempt to restore profita-bility, Nordstjernan is undergoing a far-reaching restructuring, which has already involved the sale of

Nordstjernan has been owned by duction is accounted for by the dis-Profits before tax and allocations posal of operations during the year. 100 years, but earlier this month it was announced that the owners had taken the first steps towards launching the group on the stock

Williams

or mine

to merge By William Dawkins in Bruse

GLAVERBEL, the largest maker of flat glass in the Benelux countries, has formed a joint venture with So-cieta Italiana Vetor (SIV), the Ital-ian state-owned glass producer. The pair are to merge, their automotive glass and mirror manufac-turing interests in a deal worth BFr 915m (\$21.7m). SIV is paying BFr 849m to Glaverbel for 45.9 per cent of the shares in the Brussels-based company's Splintex automative glass operation, while Glaverbel is paying the Italian group BFr 66m for a 45.9 per cent stake in its Ilved mirror making subsidiary.

Splintex and Ilved are to be controlled by a building subsidiary.

spinnex and lived are to be con-trolled by a holding company 90 per cent owned by Glaverbel and 10 per cent owned by SIV, although the Italian partner will have three out of the five board seats. Glaverbel, which also makes glass for the construction industry, has recently seen its Splintex division break even after years of making losses A spokesman explained that the joint venture with SIV, which holds 28 per cent of the automotive glass market, making it the second larg-est producer after St Gobain of company access to the economies of scale, needed to restore Solintex to full profitability.

Rejna of Italy plans purchase

By Our Milan Correspondent

REJNA, the Italian shock absorber manufacturer which was acquired three months ago by Mr Carlo De Benedetti's Sogefi car components holding group, yesterday an-nounced plans to acquire two shock

It also said it plans to raise LA1bn (\$29m) through a rights issue to cut

Rejna officials said the acquisi-tion of Amsu in Belgium and Res-sort Industrie in France would create Europe's largest single pro-ducer of shock absorbers for cars and trucks in turnover terms.

Rejna last year had L83bn of turnover and is predicting 1986 revenues of L130bn. Amsu has Albn of annual turnover, while Ressort, which is presently con-trolled by France's Valeo car components group, also part of the De Benedetti stable, has sales equiva-lent to Li00bn.

U.S.\$100,000,000
ALLIED IRISH BANKS PLC
(Incorporated with traited lebilly in the lepublic of instance in Compenses Acts, 1963 to 1963) Subordinated Primary Capitel Perpetual Floeting Rate Notes respects including relate receiver a coordinate with the provisions of the Notes, natice is hereby given, that for the three months interest period from October 26, 1986 to January 28, 1987 the Notes will carry an interest rate of 69/e/% per annum. The interest psychile on the relevant interest psymment date January 28, 1987 against Coupon No. 5 will be U.S.\$167.71 and U.S.\$4,192.71 respectively for Notes in denominations of U.S.\$10,000 and U.S.\$250,000. The sum of U.S.\$250,000. The sum U.S.\$167.71 will be psyable U.S.\$10,000 principle amoun

> Wells Fargo & Company £60,000,000

Floating Rate Subordinated Notes due January 1994

in accordance with the rrovisions of the Notes, notice is hereby given that for the Interest period 27th October, 1986 to 26th January, 1987 the Notes will carry an Interest Rate of 11%% per annum. Interest payable on the relevant interest payment date 26th January, 1987 will amount to £142-58 per £5,000 Note.

Agent Bank: Morgan Guaranty Trust Company of New York London National Australia 🌠 Bank Limited

The securities referred to below have not been registered under the United States Securities Act of 1933 and may not be offered or sold in the United States or to United States persons as part of the distribution.

This announcement appears as a matter of record only.

(Incorporated with limited liability in the State of Victoria, Australia)

U.S.\$250,000,000 **Undated Subordinated Floating Rate Notes**

Merrill Lynch Capital Markets

Credit Suisse First Boston Limited BankAmerica Capital Markets Group Bankers Trust International Limited Banque Paribas Capital Markets Limited Christiania Bank (ÜK) Limited Commerchank and the pager no same and

Crédit Lyonnais Daiwa Europe Limited Fuji International Finance Limited Irving Trust International Limited Kleinwort Benson Limited Lloyds Merchant Bank Limited Manufacturers Hanover Limited

Mitsubishi Trust International Limited Mitsui Trust International Limited Morgan Grenfell & Co. Limited Morgan Stanley International Nippon Credit International (HK) Ltd. Orion Royal Bank Limited Sanwa International Limited .

Société Générale Svenska Handelsbanken Group Takugin International Bank (Europe) S.A. Union Bank of Switzerland (Securities) Limited Yamaichi International (Europe) Limited

Salomon Brothers International Limited Bank of Yokohama (Europe) S.A. Banque Bruxelles Lambert S.A. Chase Investment Bank Citicorp Investment Bank Limited .. County Nat West Capital Markets Limited Dai-Ichi Kangyo International Limited
Dresdner Bank E F Hutton & Company (London) Ltd. Kidder, Peabody International Kyowa Bank Nederland N.V. LTCB International Limited Mitsubishi Finance International Limited Mitsui Finance International Limited Samuel Montagu & Co. Limited Morgan Guaranty Ltd The Nikko Securities Co., (Europe) Ltd.

Nomura International Limited Saitama Bank (Europe) S.A. Shearson Lehman Brothers International Sumitomo Finance International Swiss Bank Corporation International Limited **Tokai International Limited**

S. G. Warburg Securities

October 1986

All of these securities having been sold, this announcement appears solely for purposes of information,

\$70,000,000

NEW ISSUE

October 9, 1986



GOTAAS-LARSEN Shipping Corporation

111/8 Senior Subordinated Debentures Due 1993

The First Boston Corporation

Alex. Brown & Sons

Henderson Land doubles earnings

HENDERSON LAND, a prominent group, yesterday reported as a minor or peripheral market, it is worth noting that at this level, turnover was one ended June 30 of HK\$301m tenth of that on the Tokyo (US\$38.6m) — a 98 per cent improvement on profits last year of HK\$152.2m and a clear signal of resurgence in the property sector after the 1982 market crash.

The improved figures coincided with — but came too late specially being the special content of 28 per cent, and first ded with — but came too late specially being the special content of the special

record high levels on the Hong Kong stock market. Substan-tial overseas buying pushed the Hang Seng index to 2,343.66 for a gain of almost 58 points on the day.

BY YOKO SHIBATA IN TOKYO

ACM plans to

revive mine

in Tasmania

and the second

.

.ar : re= \$.4 ::--::Ezi

المستناد والمستناد ____: n samer fatk

1 mm See 17:221

By Kenneth Marston, Mining

AUSTRALIAN Consolidated Minerals (ACM) in partnership with Allstate Exploration plans to resuscitate the Tasmania underground gold mine at Beaconsfield in Tasmania. The partners intend to float a new A\$15m (US\$8.6m or £6.8m)

The improved figures coincided with — but came too late signs of a surge in China's signs of a surge in China's exports through Hong Kong—record high levels on the Hong Kong stock market. Substantial overseas buying pushed the Hang Seng index to 2,343.66 for a gain of almost 58 points

Impetus to the stock market Stock market turnover amounted to HK\$1.17bn. For stock-Henderson Land's strong profits buoyant results, Elec and Eltek,

VICTOR COMPANY of Japan (JVC) yesterday reported pretax profits in the first balf to September, which were down 70 per cent by Y4.01bn (\$24.85m), attributable to decreased exports to the US and China, e struggling domestic economy and the rapid growth of consumer electronics industries in newly industrialised countries such as South Korea and Taiwan.

JVC's net profits fell by 45.3 per cent to Y2.47bn, on turnover of Y281.84bn, a decline of 8 per cent from year earlier.

A foreign exchange loss of domestic sales grew 13 per cent to account for 41 per cent of the total turnover. The ratio of domestic sales was 34 per cent a year earlier. The group's enhanced sales of high-value added products such as the compact VHS videomovie GR-C7 boosted domestic sales grew 13 per cent to account for 41 per cent of domestic sales was 34 per cent a year earlier. The group's enhanced sales of high-value added products such as the compact VHS videomovie GR-C7 boosted domestic sales are projected appreciation of domestic sales was 34 per cent a year earlier. The group's enhanced sales of high-value added products such as the compact VHS videomovie GR-C7 boosted domestic sales grew 13 per cent to account for 41 per cent of domestic sales grew 13 per cent to account for 41 per cent of domestic sales grew 13 per cent to account for 41 per cent of domestic sales was 34 per cent a year earlier. The group's enhanced sales of high-value added products such as the company into an operating of domestic sales grew 13 per cent to account for 41 per cent to account for 41 per cent of domestic sales was 34 per cent a year earlier. The group's enhanced sales of high-value added products such as shrank 19 per cent to account for Y165bn.

Full-year sales are projected actions and royalty income.

JVC will pay an interim divided promotion of Y165bn, down 4 per cent of domestic sales grew 13 per cent to account for 41 per cent of domestic sales was 34 per cent and account for 41 per cent of domestic sales yas 34 per cent and account for 41 per c

BY IAN RODGER IN TOKYO

TOYOTA PLANS to spend most

of the proceeds of its planned Y200hn (\$1.24bn) convertible bond issue on North American factories now under construc-

JVC interim profits fall 70%

as development properties acquired in 1984 and early 1985, when property prices were still strongly depressed, were now being sold on to e more buoyant market. A total of 12 projects were completed during the second half of the year.

Y1.300bu at June 30.
Mr Toyoda sald Toyota would invest \$800m in its new car factory in Kentucky and C\$400m (US\$290m) for a plant

day suspension in trading in its shares while the market absorbed news of its losses—which come on top of total losses in 1984-85 of HK\$123.5m.

Elec and Eltek's shares were suspended at Friday's closing price of 24 cents—twice the expected placement price of 12 cents for the reconstruction, but almost one-tenth of the EK\$2 chare price et which the company was floated almost three years ago.

S. Korea state steel concern

to go public

The state-owned Pehang Iron and Steel (Posco), the biggest company in South Korea in terms of assets, has decided to go public, according to a Posco official, AP.DJ reports from Scoul.

The steel mannfacturing company has assets of about 3,280hn Won (\$3.78hn).

When and how Posco shares will be offered will be decided after a team completes a de-

When and how Posco shares will be offered will be decided after a team completes a detailed study on the plan to offer its shares for public ownership, the official said. Analysts said a ahare sale is not likely until completion of its second steel plant off Kwangyang Bay on the southern coast of Korea South Korean law requires companies that go public to offer at least 20 per cent of their equity. Based on Posco's current issued capital, that percentage would amount to at least 77hn Won.

The largest shareholder in Posco is Korea Development Bank, which owns 39.2 per cent of the company's equity. Other shareholders include the Ministry of Finance, which has 32.7 per cent; Korea First Rank, 6.9 per cent; Korea Tungsten Mining, 2.5 per cent; and three other commercial banks which jointly hold 18.7 per cent.

Posco's sales in 1985 increased 5 per cent from a year earlier to 2,000m Won, while profits ruse 2.8 per cent in 52km Wolf.

while profits rose 2.8 per

Deal over tax ends Bombay SE crisis

Stock Exchange, India's largest, appeared yesterday to have blown over after raids by income tax authorities, codenamed Operation Comet, last week prompted brokers to suspend dealings.

Normal trading will resume on the exchange today after five days, and making-up prices will be fixed for the formightly settlement of October 24, which was not completed because of the stalemate.

Brokers, satisfied with the terms of settlement between an exchange delegation and tax officials in Bombay, resumed normal working yesterday and settled obligations under the previous formightly settlement

THE CRISIS on the Bombay facilitate tha resumption of trading.
The Government has been

concerned over the prolonged closure of India's main stock exchange and its edverse impact on the confidence of investors. Many companies bave been having second thoughts on entering the market to raise equity and debenture capital at this juncture.

According to the terms of the agreement, the tax officials bave agreed to release share certificates seized by them on proper identification, and allow brokers to have photocopies of their accounts books wherever

The stock market will be closed on Thursday and Friday for Diwali (festival of lights). of October 10.

Mr V. P. Singh, the Indian
Finance Minister, asked the tax thorities on Sunday to release the records needed for it will be business as usual completing the settlement and from Tuesday (November 4).

Reliance Industries share price plunges by 20%

SHARE VALUES of Reliance banks and used the cash to Industries, known as India's ensure that its debenture issue fastest growing company, plunged more than 20 per cent last week on the Bombay Stock insider trading in shares and debentures but banks cannot Exchange to a year's low.

The fall dragged down other share values, and would probably have been greater had trading not come to a halt in Bombay after the income tax

The immediate reason for the plunge in Reliance shares is reports on an unrelated raid reports on an unrelated rate on Reliance corporate offices in Bombay by tax officials, which the company denies. The slide in the shares started in June after a peak of Rs394 on expectations of an increased dividend and bonus issue. They now stand at Rs 212.

An official committee in late An official committee in late the company's cash flow. There september cleared Reliance on is also uncertainty over a procharges of having incorrectly posal by Reliance to issue channelled bank loans to support its Rs 2.70n (!216m) tures as rights to its share and debenture issue floated last year. The committee, headed by the Deputy Governor of the Reserve Rank of India (RRI), chairman, is to make the companies affiliated to Re 711bn last year, when it paid Reliance raised loans from 'e dividend of 50 per cent.

insider trading in shares and debentures but banks cannot lend support to such trans-actions. The committee says nearly Rs 600m was lent to some 40 trading and invest-ment companies affiliated to Reliance but the loans do not leave the hards unduly exposed. leave the banks unduly exposed. However, it made several observations that are not complimentary to the banks which sanctioned the loans.

Decisions on the RBI committee report are expected to be announced when the Indian Parliament meets again in the second week of November. Investors fear that a recall of these bank loans might strain the company's cash flow. There is also uncertainty over a pro-

...

Series 044

U.S.\$42,000,000

Short-term Guaranteed Notes issued in Series under a U.S.\$280,000,000 Note Purchase Facility

Mount Isa Mines (Coal Finance Limited)

Notice is hereby given that the above Series of Notes issued under e Production Loan and Credit Agreement dated under e Production Loan and Credit Agreement dated 30th March, 1983, carry an Interest Rate of 00.00% per annum. The Issue Date of the ebove Series of Notes is 29th October, 1986 and the Maturity Date will be 29th January, 1987. The Euro-clear reference number for this Series is 28672 and the CEDEL reference number is 931357.

Manufacturers Hanover Limited Issne Agent

28th October, 1986

MITSUI FINANCE ASIA LIMITED (Incorporated in the Cayman Islands)

US\$150,000,000 **Guaranteed Floating-Rate Notes 1997**

In accordance with the provisions of the Notes, notice is hereby given that for the three month period, October 28, 1986 to but excluding January 28, 1987 the Notes will carry an Interest Rate of 6 1/16% per annum. Coupon will be US\$161.32 on the Notes of US\$10,000.

> Mitsui Finance Trust International Limited

Agent Bank



ECU 150,000,000 **IRELAND**

Floating Rate Notes due 1997 Notice is hereby given that the Rate of Interest has been fixed at

75% and that the interest payable on the relevant Interest Payment Date, April 28, 1987 against Coupon No. 4 in respect of ECU 10,000 nominal of the Notes will be ECU 385.49.

October 28, 1986, Landon By: Citibank, N.A. (CSSI Dept.), Agent Bank-

CITIBANCO

KAWASAKI STEEL CORP. Japanese Yen 18,000,000,000 Reverse Floating Rate/Fixed Rate Notes due 1996

Rate Notes due 1996
In accordance with the terms and conditions of the Notes, we hereby give notice that the Yen Libor for the period from 9th September 1986 to 9th March 1987 was fixed at 41%, giving the interest Rate Factor of 9.607/360.
On 9th March 1987, interest of Yen 26.686 will be due per Yen 1,000,000.
The Talyo Kobe Bank Limited London Branch



BUILDING SOCIETY £150,000,000

Ploating Rate Loan Notes Due 1996 (Series A) 11.2875% 2nh (kester 1885 20th Nortester 1886

E 900000 Name E 47.85 Courte Spines First Proton Limited

23rd October, 1986

to resuscitate the Tasmania underground gold mine at Beaconsfield in Tasmania. The partners intend to float a new A\$15m (US\$8.6m or £6.8m) company for the purpose,

An A\$8.2m two-year rehabilitation programme is planned for the mine to confirm an ore resource—indicated and inferred from old records and surface drilling—of some 500.000 tonnes grading 24 grams gold per 186me. A standard for the planned issue in siderable surprise by Japanese investment analysts. The company's pre-tax profits dropped gold per 186me. A standard for the planned issue in surface drilling—of some 500.000 tonnes grading 24 grams gold per 186me. A standard for the planned issue in strength of increased domestic investment analysts. The company's pre-tax profits dropped gold per 186me. This announcement appears as a matter of record only. New Jahre 2) 4. September 12 Howing 1. 12 passing and or and · 23rd October, 1986

Toyota to spend \$1bn on

North American plants



EBARA CORPORATION

U.S. \$70,000,000

3¾ per cent. Guaranteed Notes 1991

Warrants

to subscribe for shares of common stock of Ebara Corporation. The Notes will be unconditionally and irrevocably guaranteed by

The Dai-Ichi Kangyo Bank, Limited

Issue Price 100 per cent.

Yamaichi International (Europe) Limited

James Capel & Co.

Union Bank of Switzerland (Securities) Limited

DKB International Limited

Nomura International Limited

Bangue Paribas Capital Markets Limited

Datwa Europe Limited

Kleinwort Benson Limited

Kyowa Bank Nederland N.V.

Leu Securities Limited

Merrill Lynch Capital Markets

Mitsubishi Finance International Limited

Morgan Stanley International

The Nikko Securities Co., (Europe) Ltd.

Nippon Kangyo Kakumaru (Europe) Limited

Sanwa International Limited

Westdeutsche Landesbank Girozentrale

New James



ISHIHARA SANGYO KAISHA, LTD.

U.S. \$70,000,000

3¾ per cent. Guaranteed Notes 1991

Warrants to subscribe for shares of common stock of Ishihara Sangyo Kaisha, Ltd. The Notes will be unconditionally and irrevocably guaranteed as to payment of principal and interest by

The Long-Term Credit Bank of Japan, Limited

Issue Price 100 per cent,

Yamaichi International (Europe) Limited

James Capel & Co.

LTCB International Limited

Nomura International Limited

Morgan Stanley International

ANZ Merchant Bank Limited

Banca della Svizzera Italiana

Cazenove & Co.

Cosmo Securities (Europe) Limited

Daiwa Bank (Capital Management) Limited

Knwait Foreign Trading Contracting & Investment Co. (S.A.K.)

Swiss Volksbank

Taiyo Kobe International Limited

Manufacturers Hanover Limited

Warburg endorsed by Japan's PO

BY IAN RODGER IN TOKYO

S. G. WARBURG, the UK merchant bank, has been accredited as a securities dealer for the largest institutional investor in

Warburg is the first British, and only the fourth foreign,

had funds totalling Y29,000bn under its management at the as well as US brokers.
end of 1985, may huy and sell The other foreign 56 securities directly from War- dealers accredited by the post

Mr Christopher Purvis, Salomon hranch manager of S. G. War-Stanley. burg Securities (Japan) Inc., described the appeintment as "a wonderful seal of approval fer us on the day of Blg Bang." It remained to be seen what it meant in terms of business, he added.

Warburg has made rapid pro
Stanley.

Stanley.

Stanley.

Stanley.

Straley.

Stanley.

Straley.

Stanley.

Stanle

it was the first British merchant bank to obtain a securities

dealer to win the endorsement of the Japanese Post Office Life Insurance and Post Office Annuities Funds.

This means that officers of Warhurg argued that it was the Japanese Post Office, which important for the organisation to bave relations with Britisb The other foreign securities

office funds are Merrill Lynch, Salomon Brothers and Morgan

A Ministry of Finance

gress in Tokyo since opening consultation hetween British official said yesterday's meeting its office in 1978, rather later and Japanese financial officials, than some other British merchant banks. However, in 1984, it was the first British merchant His comments were made ever differences we may have, and the support of the support o we understand each other." ha despite the annoyance at the liberalisation moves expressed by the US and European gov-

The talks may also have benefited from the lack of urgent issues. The main concern on the UK side was the impending regulatory structure for investment advisory companies in Japan. This is one sector in which British companies bave done well in Japan, and there is some fear that the regulations will effectively discriminate against foreign companies.

It was all a far cry from the near shoot-up that took place bere in early September when Mr Donald Mulford, the US Assistant Secretary of the Trea-However, there was no oppor Mr Donald Mulford, the US
Assistant Secretary of the Treasury was in Tokyo for similar talks. The Japanese were quick to note the difference.

However, there was no opportunity to discuss the question in detail because the MoF has yet to publish its proposed criteria for regulating this sector. They are due to appear within the next few

Dome wins majority approval of waivers

By Bernard Simon in Toronto

DOME PETROLEUM, ailing Calgary energy producer, has obtained the approval of a substantial majority of unsecured public holders of eight European debt instru-ments to suspeod interest and principal payments on their portion of the company's C\$6.3bn (US\$4.56bn) debt.

Dome said yesterday that more than 70 per cent of the bolders of three series of Swiss franc bonds and notes totalling SFr 300m have agreed to waive payments from Octo-ber 28 1986 to June 30 1987. Earlier this month, holders of five US dollar-denominated instruments gave their approval at meetings in London to similar waivers.

Dome's 56 bank and corpo rate creditors earlier insisted that public debt holders should make the same sacrifices that they have in waiving interest and principal payments. The exercise was complicated however, by the need to track down the public debtholders because one series of Swiss notes metures this month.

The vote by the bolders of the Swiss franc instruments clears the way for Dome to proceed with negotiations on a sweeping recapitalisation plan. Major lenders are being asked to convert a large por-tion of their debt into securi-ties, whose value would be partially linked to international oil prices.

The company plans to ask the bank lenders to extend the waivers on the bulk of their interest and principal payments until next June, by which time it hopes that the restructuring agree, Doma will make a special payment of interest accrued to October 31, totalling C\$16m, to the unsecured public debt holders.

BIS figures ----In an article in yesterday's FT on commercial bank lending to developing countries, the period covered by the Bank for Inter-national Settlements figures was given incorrectly as the second quarter. The BIS study covers the 21 years from the end of 1983 to mid-1986. During that time the most heavily indebted countries received \$15hn in new loans from commercial banks but repayments exceeded this by \$2.3bn, making total principal repayments of \$17.3bn.

ŀ			
ı			
ı	ANHEUSER-BUSCH		
ľ	Largest US brewer		
l	Third quarter	1906	7985
	Revenue	2.22bn	2.01be
ı	Net profite		
Н	Net per shere	0.52	0.46
į	Revenus	0.306.0	5.83ba
	Net profits	406.6m	364.5m
П	Net per shem	1.32	1.10
ı			
ľ	CANADIAN OCCIDENTA	AL PETRO	HEUM
	Petroleam	-	-
П	Third quarter	1986 C3	1965 C3
	Reveeue	<u>س</u>	<u>س_</u>
	Net profits	12.1m	24.3m
1	Not per chare	0.37	0.71
П	Revenue	380.3m	490 5m
ı	Net profite	30.8m	96.5m
	Net per sham	0.93	2.91
ı			
1	CAROLINA POWER AN	D LIGHT	
-	Utility	7985	1986
	Third querter	23/85	1980
4	Revenue	577m	546m
1	Net profits	110.9m	105.0m
	Net per chare	1.26	1.25
	Revenue	2.0be	1.9ba
1	Nel profits	358.7m	329,5m
1	Net per cham	3.97	3.97
1	CINCINNATI GAS AND	FIFE	HO
ı	Utility	LLECT	
ł	Third quarter	1968	1985
I	•		•
Ì	Revense	310.3m 48.7m	298.0m
ı	Op. net profits	0.97	0.80
1	12 months		
ı	Reveaus	1.4bn 183.3m	1,4bn 150.5m
1	On net per chem	3.61	2.90
1	Ab use her avail, very		
١	COMPUTER SCIENCES		
ł	Computer services		
ı	Second quarter	1986-87	1985-86
J	_	_ S	5
- 1	Revenum	249.4m	209.3m

Reluctance to position ahead of US refunding

YESTERDAY was a harassing price at the level of the total time for London's domestic fees. fees.

Meanwhile J. Sainsbury, the securities markets as dual-capacity trading began, but a quiet Monday for the Eurobond UK food retailing group, issued a Y5bn bond, Mr Ewan Davidson, the company's market. Dealers were reluctant Davidson, the company's took place yesterday. The to take up positions ahead of treasurer, said that the procupon was increased by a per the forthcoming re-funding ceeds were being swapped into cent from the indicated level, programme in the US Treasury dollars and used to finance most to 34 per cent. The bond was bond market, which will be of the company's investment in quoted at a 97 hid price.

Japanese demand for dollar market chain, replacing short-the day little changed, although the procuping the demand of the company's investment in the day little changed, although the procuping the demand of the company's investment in the day little changed, although the procuping the demand of the company's took place yesterday. The denominated bonds.

New issuing activity was concentrated in the "currency" sectors of the Eurobond market, where two UK-based companies issued debt which will be swapped into dollars.

Heron International, the UK-

Heron International, the UK-controlled private property and finance company, issued a FFr 400m seven-year bond, led by Credit Lyonnais. The issue was priced at 99½ with a 3½ per cent conpon, which dealers said looked attractive compared with a said looked attractive compared. with yield levels in the secondary market.

secondary market.

But many also said the bond's trading performance was hampered by lack of familiarity with Heron's name, priced at 1012, looked aggresand by investors' preference for shorter-dated paper. The lead-manager quoted a bid price of \$72, a discount to issue price of 12 per cent, the level of the total fees.

term borrowings.
The bonds were denominated

in amounts of Y10m, large for a Y5bn deal. This led to speculation that the bond, issued by J. Sainsbury (Finance), was

INTERNATIONAL

BONDS being placed by lead-manager Mitsubishi Trust International with a few institutions. But Mitsubishi Trust said that the issue was being boeght by a range of investors, although one Continental institution was buy-

prices in Tokyo, Daiwa Europe increased the coupon on its \$300m equity warrants bond for one, issued south the warrants both for the front company's took place yesterday. The the procoupon was increased by 2 per rapped into cant from the indicated level,

30-year bonds were marked down by about 1 percentage point on the day. A recent DM 300m 6 per cent 10-year bond for the Werld Bank was bid et 951, as against a 961 issue

In the Swiss franc market ing interest was low. A recent SFr 150m 10-year 51 per cent bond for Heron International closed its first day's trading et 982, compared with a par issue

Union Bank of Switzerland led a 10-year bond for Indus-trial Credit and Investment Corporation of India, guaranteed by India. The issue, for a minimum of SFr 75m, has an indicated yield of 5‡ per cent, hut terms will be fixed tomor-

SES lowers size of levy for members' lifeboat fund

THE LEVY en commissions indefinitely. Funds have been earned by Singapore stock, earmarked for disbursement to earned hy Singapore stock-hrokers used to create a lifeboat fund for members in financial been paid out to investors.

difficulties will be reduced to In March, the exchange said per cent from 1 per cent on it would bonour all bona fide November 1, exchange officials contracts transacted through the exchange including these said, Renter reports.

The levy for the fund, which stands at \$20m, will continue ceivership or liquidation.

Bond trading in Chinese city

A CAPITAL market centred on stocks and bonds bas opened in the central China city of Wuhan, Reuter reports.

bbira

The volume of capital trans-actions reached 400 yuan in tha first two hours after the market opened on Friday.

China's first securities market since 1949 opened in Shenyang in August, trading bonds.

FT INTERNATIONAL BOND SERVICE

the exchange, including those

Listed are the 200 latest international bonds for which there is an adequate secondary market

97007 771/07 1801,11 1801,57 1801,55 1811,57 971,51 1801,56 971,75 1801,75 971,75 1801,76 971,75 1801,76 1801,

Singapore names dealers for new market

THE MONETARY Authority of Singepore, MAS, the islandstate's quasi-central bank, is to
launch a government securities
market en March 2 next year,
and has awarded licences for
five primary dealerships as well
as three registered dealers.

The MONETARY Authority need to raise tunds inrough
the issue of bonds, but the
MAS may use the market fer
controlling the money supply.

Four of the primary dealerships have been awarded to
Singapore's Big Four banks—
Overseas Chinese Banking

need to raise funds through Sim Lim Finance, and Singa- sufficient, the issue of boods, but the pore Finance.

Registered dealers will act as market makers and will issue two-way quotes, but will not be anthonised to bid directly in anction. Licences for regis-tered dealerships were awarded

Mr Toyoo Byohten, Japan's vice-minister of finance for

international affairs, noted the "symbolic timing" of the meeting, being the day of Big

Bang in London, and how he bad enjoyed hearing about the

latest moves te reform the UK

capital markets

market or gold, from November

The market is designed to establish a risk-free benchmark price for securities with the several owners, intention of providing underpinnings for a broader private sector capital market. The Singapore Government has no constant the sector of the company and company and company also be issued if demand is confine the market in recent we have a component file and company also be issued if demand is confine the market in recent we have a component file although 10-year bonds may also be issued if demand is confine the market in recent we have a component file and component file although 10-year bonds may also be issued if demand is confine the market in recent we have the forestment to some S4.8bn. So far only about S54.8bn. So far only about five elerships had been limited to five because the Government intends to confine the market. The Government's initial decision in the spring to open holders is cited as an important factor behind the strengthening of the market in recent we confine the market. The Government's initial decision in the spring to open holders is cited as an important factor behind the strengthening of the market in recent we confine the market. ntention of providing undercluding Tat Lee Bank, Honglingings for a broader private kong & Shanghai Banking ector capital market. The Comporation, Development Fluance Corporation of Australia, also be issued if demand is imgapore Government has no Nationwide launches first credit for £200m Nationwide launches first credit for £200m

BY PETER MONTAGNON, EUROMARKETS CORRESPONDENT

The deal is a straightforward transferable revolving credit with a seven-year maturity and

commitment commission of re-per cent which will apply if drawings fall below 51 per cent of the total.

Separately, First Chicago The facility will allow announced yesterday that it is Michigan National, which has arranging a \$100m, five-year no long-term debt and is loan facility for Michigan unrated, to raise funds in the National Bank of the US. The form of Eurocommercial paper, an interest margin of 5 basis

This is the first credit operapoints over London interbank tion fer Nationwide, although it
offered rates for sterling has raised funds in the floatingfacility fee of 15 basis points notes.

NATIONWIDE, the UK's third largest building society in terms of assets, bas launched its first credit in the international capital markets. It is raising £200m through S. G. Warburg.

The loan carries an annual commitment commission of 78

Euronotes

This announcement appears as a matter of record only. These Securities have not been registered under the United States Securities Act of 1933 and may not, as part of the distribution, be offered, sold or delivered, directly or indirectly, in the United States or to United States persons.



The Kingdom of Belgium

Floating Rate Notes Due October 1994

Salomon Brothers International Limited

Bank Brussel Lambert/Banque Bruxelles Lambert

Banque Nationale de Paris Barclays de Zoete Wedd Limited Crédit Agricole

DKB International Limited First Chicago Limited

Kidder, Peabody International Limited Lloyds Merchant Bank Limited

Merrill Lynch Capital Markets

Mitsul Finance International Limited

Samuel Montagu & Co. Limited Morgan Stanley International

Shearson Lehman Brothers International

Talyo Kobe International Limited Union Bank of Switzerland (Securities) Limited Algemene Bank Nederland N.V.

Bankers Trust International Limited

County NatWest Capital Markets Limited

Credit Suisse First Boston Limited

E F Hutton & Company (London) Ltd

LTCB International Limited

Mitsubishi Finance International Limited Mitsui Trust International Limited

Morgan Guaranty Ltd

Toronto Dominion International Limited

Westpac Banking Corporation

New Issue/October, 1986 U.S. \$200,000,000

Generale Bank

Banque Paribas Belgique S.A./Paribas Bank België N.V.

EBC Amro Bank Limited

Kredietbank International Group

Nippon Credit International Limited

Sumitomo Trust International Limited

N. AMERICAN QUARTERLIES

CAN

Profilo adjusts to new opportunities

THIRTY YEARS ago, Mr Jak Ramhi feels the group graduate specialising in the import of construction materials, was struck by the thought was struck by the thought county to be possible to make some of the things in Turkey that he was buying abroad.

Today Mr Kamhi is one of Turkey's top 10 industrialists, running an empire thet extends from construction materials to white goods, electronics, and offers the group group group at all in the struction of the things in Turkey that he was buying abroad.

To outsiders, that might seem amazing that Mr Kamhi's stricts his opportunities to livest. The cost of finance and white goods, electronics, and managed to grow at all in the

ought to be possible to make some of the things in Turkey that he was buying abroad.

Today Mr Kamhi is one of Turkey's top 10 industrialists, running an empire thet extends from construction materials to white goods, electronics, and even luxury yachts.

When a Turk buys e colour television, video recorder, washing machine, refrigerator or even a cash register, the ame to finance imported machinery and in may be Sony or National or AEG. But the chances are that it has been almost entirely manufactured in Turkey by a company called Profilo.

This is Mr Kamhi'e industrial group which this year is expected to achieve group salee of around TL 367ho (\$519m) and profits of TL 22.7hn.

For Mr Kamhi, Profilo ic currently inding high after living through many years of simost non-stop problems despite strong demand for the kind of consumer durables in Turkey which fied the group's growth.

In many waye his story is a classic example of the way in which Turkiah industry grew after 1860 because of the emphasis on import substitution.

The syst the much more difficult for us that it used to be."

To outsiders, that might seem amout point. It may seem cent on bank borrowings restricts his opportunities to group. and officers like it, live agrow at all in the depreciation of the Turkish industry grew and to contend with endless short imports) is cited as a major obstacle to new investment and to contend with endless short imports) is cited as a major obstacle to new investment and to contend with endless short imports) is cited as a major obstacle to new investment and to contend with endless short imports) is cited as a major obstacle to new investment and to contend with endless short imports) is cited as a major obstacle to new investment and to contend with endless short imports) is cited as a major obstacle to new investment and to contend with endless short imports) is cited as a major obstacle to new investment and to contend with endless short imports) is cited as a major obstacle to new investment and to contend wit

to Belgium and would like to sell more in the North American markets, despite the diffi-culties of keeping up with the rapid changes in norms and

Last year Profile's exports reached TL 21bn — a record for the group. However, prospects for 1986 are not very encouraging as Turkey's main customers in the Middle East, notably Iran and Iraq, have severe cash-flow problems and trade with them has dwindled.

For this reason Mr Kamhi is one of the strongest advocates in the Turkish business world of an early application by Turkey to join the European Community, feeling both that it will offer Europe new markets and enable the restructuring of Turkish industry to continue. "I can compare markets "he pete in European markets," ho

Mobira builds on strength of joint ventures

them" to good effect.

Last year it launched a successful joint venture with Tandy, the US electronics retailer and microcomputer software group, and has followed this more recently has followed this more recently with a link with the Matra electronics group of France.

These two deals have belped Mobira consolidate its position as the leading European supplier of mobile telephones and have led the company to claim that it is just possibly world leader as well.

and auccessium,
vast American market

Firmish group.

The roots of Mobira's success
can be traced back to the development of the Nordic Mobile
after its local partner.
Teiephone (NMT) network,
or jointly created for Finland,
Mohra has begun to raise its
diy by the countries' telephone
by the countries' telephone

The company hes set up
name. The company hes set up
name. The company hes set up
name and says that it

Mobira has e 15 per cent share of
the world market for
lowed by Motorola of the U
with 12 per cent.

Technically, mobile telephor
e long way to

MOBIRA, the fast-growing mobile telephone company plant got well into its stride example, Mobirs sold the first during the last quarter of 1985 generation mobile telephones and auccessfully opened up the putting the popular maxim wast. American market to the mif you can't beat them, join them, to sold effect.

Based in South Korea, this operators. In the UK, for capture two-thirds of the example, Mobirs sold the first generation mobile telephones and auccessfully opened up the wast. American market to the main contractor of the French network. There marks of Rasel and British mobile telephones in France.

as the leading European supplier of mobile telephones and have led the company to claim that it is just possibly world leader as well.

Last year Mobira's sales to s

TRACTION, An automatic traction system stops wheel spin dead in its tracks by shutting off fuel injectors one by one until grip is regained. Takes a few milliseconds.

Custom design of automotive componentry is part of our work within electronics. So is evionics, where we develop system software, simulations technology and edvanced maintenance systems.





FRACTION. This steel sphere, 40-millionths of e meter big, was found in the oil system of an aircraft engine. Undetected, enough of them can completely ruin an engine or cause a crash. Our materiels technology division offers superb problem identification and failure diagnostics.

We're the FFV Group, active in electronics, aviation, and defense. For the facts write: FFV, Dept. I-320, S-631 87 Eskilstuna, Sweden,

FOR SALE DEVELOPMENT ENGINEERING CO. S.E. England

Long established with own

range of products

SHEET METAL

SUB-CONTRACTOR

Specialising in fine limit sheet metal

Turnover £850,000 pa LOCATEO NORTH KENT ontrolling interest evallable for immediate sale

Replies from principals only: Attn M. Jones, 2/12 Penge Road South Norwood, London 5625 46Y

TRAVEL AGENTS

TRAVEL AGENTS
Out to reviewment Morth of England
Travel Agents divered for sale
Well established with
JO RETAIL OUTLETS
Turnover eaprox 15m
Price 1500,000
Serioue enguries only
Write Sox H1381, Finencial Times
10 Cennon St. Landon EC4P 48Y

OPPORTUNITY

Businesses For Sale

SELF HEATING **CANNED FOOD**

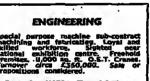
as and assets of Hotcan Ltd for sale as going concern. ★ Revolutionary process of heating canned food suitable for many outdoor and industrial catering requirements, including armed forces, police, prison services and leisure.

* Major export sale. * Potential for growth with existing plant including new applications of process.

* Leasehold premises in development area Rotherham, Yorks.

For further details please contact: Neil H Cooper, Administrative Receiver Robson Rhodes, Chartered Accountants 186 City Road, London ECTY 2NU Tel: 01-251 1646 Telegs: 885734 Fact: 61-250 0001

ROBSON RHODES



Reply Box H1351, Financial Times 10 Cannoe Street, London EC4P 48Y

SMALL INVESTMENT COMPANY FOR SALE Comprising freshold property SE London for self-contaised flats, 1 vacent; £130,000. Portfolio preferece shares valus £60,000; cash £15,000; income £20,000 ps. OFFERED AT £205,000 Write Box H1324, Financial Times 10 Cannon St, London EC4P 4BY

DIVERCO Sell Companies Nationwide

SELLERS and BUYERS

UK Market leader supplyies wholesale and recall trades. Well listed and recall trades. Well listed and recall trades. Well listed and recall trades, well sevent sole with gross price of apprecimently \$2.50.000. Interested in the sevent sole with gross price of apprecimently \$2.50.000. Interested in the sevent sole se

LEASING COMPANY FOR SALE

Location: London error ontracted ennual income: approximately £250,000

For lurther details contact:

Roffe, Swayne & Co (Ref 322) Ashoombe House, Queen Street Godelming, Surrey GU7 188

Contact in confidence: DIVERCO LTD. 4 Bank Street, Worcester WR1 2EW. Tel: 0905 22303

Regents Park/St John's Wood Prime Residential Agency FOR SALE

Principals only, please apply: Box F6890, Financial Times 10 Cannon Street, London EC4P 4BY

PETROL RETAIL FILLING STATION FOR SALE Currently selling 700,000 callons pa 31, years of the 10 Tub OFFERS NEAR E200,000 (200,000 of shich interest tree over 10 years) Write Box H1376, Financial Times: 10 Cennon St. Landon EC4P 48Y

General Woodworking Company Situated in Chashire. Turnover in encays of ESO,000 pa over the last .5 years. Good profit record write Box H1373, Financial Times 10 Cannon St. London EC4P 48Y

SCAN BELTS LIMITED

The joint Receivers and Managers offer for sale the business, assets and goodwill of Scan Belts Limited.

Leaders in the manufacture of quality fashion leather belts and handbags Freehold premises in Kettering, Northants Annual turnover (3.5 million Enquirles to:

L R. Chisolm, Esq. FCA
Joint Receiver and Manager
PEAT, MARWICK, MITCHELL & CO
Kingswood House, Petham Road
Nottingham NGS IAP

MARWICK

Haslehursts Limited

The business and assets of the above company are for sale as

a consequence of Receivership.

 Retail and trade frommonoers and small tool supplier · Freehold premises in Derby

Annual tumover £370,000

interested puriou abouid contact: 2 il lines PCA, Price Waterbowe, Victoria House, 75 hillion Street, Notingham NG1 397 Talephone: 8662 478221 Tales: 377821 Price Waterhouse



Established Pressing Manufacturer LARGE ESTABLISHED PRIVATE COMPANY OFFERED FOR SALE

Large freebold premises in central aliminghem Profitable business on central aliminghem fundeer approx ESOU,000 pe with growth potential Zero defects quality standard Extensive oustomer base FOR SALE AS A DOING CONCERN

Please write to Box H1363, Financial Times 10 Cannon Street, London, EC4P 4BY

ELECTRONIC PRODUCT—OFFICE EQUIPMENT COPIER MANAGEMENT SYSTEMS

Company with newly developed range of electronic products for providing detailed management information on copier and print-room useds, seeks as lority shareholder. Existing sales base and excluing prospects. Additional product line for office equipment, copier, where computer and other salling organizations. Places reply to Robert Vorks at:

YORKE BUSINESS DEVELOPMENT CONSULTANTS

Silver Birches, Bashurst Hill, Itchingfield, Nr Horsham, West Sussex

RH13 7NY or Phone: 0003 780500

PROFITABLE IBM MICRO SYSTEMS HOUSE YORKSHIRE

ESTABLISHED BLUE CHIP CUSTOMER BASE Apply in confidence: Milne Booth & Co Chartered Accountants, 8 Park Sq Leads LS1 2LX

SUSSEX Valueble Period Freehold Shop

Premises for Sale Excellent trading position, Quality Ledies Fashion Retailer. Established over 9 years. Turnover £250,000 pa plus potential to increase PRICE £250,000 FREEHOLD Owners Agenze: RI & B . TEL: 01-637 0621

The businesses and assets of the group, a major operator in the offshore industry of the past decade, are available for sale as going concerns.

* Installation and offshore maintenance forward contracts *Extensive wharfage facility located in Middlesbrough

* Skilled workforce of approximately 600 employees.

* Substantial order book totalling £30 million

* Fabrication facility of 24,000 square metres located in Stockton

Tim Heyward and Roger Oldfield Peat, Marwick, Mitchell & Co. 1 Puddle Dock

London EC4V 3PD Telephone: (01) 236 8000 Telex: 8811541



FANCY GOODS Tumover \$1.7m pe Write Box H1372, Financial Times 10 Cannon St, London ECAP 4BY

Substantial commissions seets on he Baltic Exchange. Modern Offices fully equipped as dealing room Contect:
Brian Mills or Peter Leurence
Booth White & Co
Tel: 01-248 5971 or (0923) 38822

Principal features comprise:

*UK's largest crane ship under development

* Annual turnover in the region of £8 million

ESTABLISHED 14 YEARS IMPORTER/DISTRIBUTOR

COMMODITY TRADING COMPANY

LONDON ART GALLERY
Publishers, Rataliers and wederlain
of rearndedulen prints and Limits
Estitions.
© Undervioused potential
© Undervioused potential
© Undervioused potential
© Wholesale potential underpoed
© Wholesale potential underpoed
© Export market opes
© Ratiferment sale
Proprietor's iscome £45.000 p.s.

KYNASTON'S
5 Upper Jachtrook Street
London S.W.1 01-530 0083

BARRORS. (Ref. X/8322). Well established, very profitable, retail shop and wholestie business with structive sacious living accommodation in Midland city. No special technical knowledge or abilities required. Frice 6105.000 including valuable freehold groperty, stock extra. E. M. 6. F. Ltd., S. Cidon Chambers, Northigham NGI 2NS. Phone 6602 411919
SEAFOODS (Ref.) X/4286/G). Well actablished distributor of too quality lines, mainly house, Operating from genanted armines fully reculpped. Turnovér £225.000 year ended June. Gross grots £109.000. Price £130.000 company and assets. E. M. and F. Ltd., 5. Plone 6602 411919.

Marine Division

* Fleet of seven vessels operating worldwide * Annual turnover in the region of £22 million

Fabrications Division

For further details contact the Joint Administrative Receivers:

Blackfriars

International Businesses for Sale

FOR SALE

Investor/Entrepreneur with voscible interest in moto-cross racing sought for outright purchase of moto-cross bike manufacturer.

We offer a top-class product and a specialised team of people for development, production and marketing. The new owner can count on the complete commitment, know-how and support of the currently scrive proprietor. The company has enjoyed an established reputation for more than 50 years and includes in its steble young, enthusiastic and successful riders. The sport attracts high-profile sponsors for competitions, e.g. Camel, Marlboro. Among important events for moto-cross bikes is the Paris-Dakar rally.

The company's latest model for the 1986/57 season has been widely ecclaimed at the leading industry trade fair. Costs for the considerable research and development have been covered but for future expansion new funding will be required. Tax loss carry-over may be claimed.

The investor must be able to finance the going concern, which is small and manageeble. Company location is near Stuttgart, Germany.

Units sold are as follows:

1983/84 1985/86 1,800 1,600



The investor is offered the opportunity to combine business with the enjoyment and atmosphere of racing.

For further information call Germany 07073-3010 or write to: MAICO, Nagolder Str. 23, D-7403 Ammerbuch-Pfäffingen Telex: 7262746 MAIC D

A Japanese upset for venture capitalists

William Dawkins and Yoko Shibata explain the downfall of the robot-maker. Dainichi Kiko

enthusiastic Jepanese press, to lose £15.4m and why it was Dainichi Kiko — once the star they failed to see the crisis of the Japanese robotics industry - has fallen to earth with

When Dainichi filed recently for court protection from its creditors, it became the 38th failure so far this year among businesses backed by Japan's fledgling venture capital market. It provides the most startling example yet of how Japanese risk capital is echoing the recent shakeout in its US equivalent — a consequence of too much money chasing similar enterprises based on perhaps over-optimistic hopes.

Dainichi's fate also signals the deeth blow for the biggest ever joint investment between Britain and Japan in a venture capital industry that is striving hard to broaden the horizons of the companies it supports by itself becoming more inter-

they failed to see the erisis coming.

In happier days, Dainichi had all the halimarks of a classic US-style entrepreneurial success story. It was founded in 1971 had tripled in size and Dainiby Toshio Kohno, a strongminded engineering graduate who had left university to start a design business. The 51-year-old Kohno's design venture soon failed because, as he later admitted, it lacked the management controls to bandle e fastgrowing order book. But instead of committing suicide to show respect to his creditors, as advised by his father, Kohno bounced back to set up Dainichi bounced back to set uo Dainichi in the small town of Kofu, west of Tokyo, to produce manufac-turing machinery for a local

Reputation

Itself becoming more international.

It was only in February last year that the group raised y4.35n (£15.4m at the then prevailing exchange rate) from six British and one Swiss investment institutions in a placing handled by the London branch of Prudential Bache Securitios, the US securities company. The possibility of an impending stock market flotation and an impressive list of

impending stock market flotation and an impressive list of 26 existing Japanesa institutional investors prompted the Europeans to believe they were outo a safe bet.

Yet now they hold worthless shares in a company that bas filed for protectiou under Japan's corporate rehabilitation law — the equivalent of Amorica's Chapter 11—and has liabilities of about Y6.5bn. A question mark also hang's over the postion of DSR Systems, the group's UK assembly and distribution subsidiary, publicly heralded at its launch five years ago as a breakthrough in Targenese technological to construct. January to to ducer.

Sequence of Konno's audictate personal style, added to the company's problems. Prompted by his anxious bankers, Kohno streatively ment stringent retremchments. to director in spring 1985 to implete the ment stringent retremchments. The markets. A distribution accord with Aritmos, a Swedish engineering company in 1978, was followed by similar arrangements with the Sykes engineering group of the UK (the agreement formed the germ of the group's UK assembly and distribution subsidiary, publicly heralded at its launch five years ago as a breakthrough in Targenese technological to construct. January to the construct. January to the start, however, personal style, added to the company in the start, however, personal style, added to the company in personal style, added to the company in personal style, added to the company in the start, however, providents, personal style, added to the company in the company in personal style, added to the company in personal style, added to the company in the confidence in the company in personal style, added to the company in the company in the confidence in the company in personal style, added to the company in personal style, added to the company in the company in person

co-operation.

But since DSR's joint managing directors, John Tomlinson Europe. Ironically, however, and David Walker, have refused to respond to repeated FT telephone and telex inquiries, it sales were mada overseas in the unclear bow seriously the 1982—contributed to its down-Preston-based company is affected. The group became fatally ted by its parent's misfortunes. vulnerable to the yen's recent Meanwhile, Dainich's new steep rise in value.

BILLED JUST over a year ago
so the future Sony by an themselves how they managed enthusiastic Jepanese press, to lose £15.4m and why it was in spite of its strong export orientation, the company managed to haul itself to third

To make matters worse, the

new intensity of competition made it no longer possible, as in Dainichi's early days, to charge customers for the costs charge customers for the costs of developing custom software for specific robot applications. In short, Dainichi was in a corner. "Kohno's fatal strategic mistake," says one industry expert, "was to fight directly against giant makers of factory automation systems like Fanuc, which have expertise in volume production as well as marketing."

A spate of management defections, believed to be a consequence of Kohno's autocratic personal style, added to the company's problems. Prompted by his anxious bankers, Kohno recruited a new managing director in spring 1985 to implement stringent retrenchments. But a few months later, the new recruit left, driven out by a series of blazing rows which sapped the morale of the company and the confidence of its investors.

courted as possible partners, but they all stepped back when they discovered the profundity of the smaller company's prob-



of Tetsuo Maruyama, head of Thermovonics, the Japanese off-shoot of a US technology Maruyama and a worried Daiichi Mutual attempted to put together a rescue package with another of the insurance

group's investments, Yokogawa Hokushin Electric, a producer of precision measuring equip-ment. The plan, however, fell flat in the early autumn after nat in the early autimn after Yokogawa Hokushin demanded that the insurance group shoulder Y6hn worth of Dain-ichi's liabilities and bad debts and that the company be liquidated.

Yokogawa Hokushin's terms were too tough and would have given the new foreign investors no chance of getting any money back for their 16 per cent stake, so Dailchi had no option but to end its credit lines to the robot verture is an extensi but to end its credit lines to the robot venture in an attempt to cut everybody's losses. It is too early to say whether the shareholders will be able to salvage anything from the wreckage.

But one thing is clear. The Dainichi Kiko story has created particularly intense embarrass-

ent in financial circles in London and Geneva; so much so that none of the UK insti-tutional investors is prepared to put comments on record. Two lessons, however, have

emerged.
The UK investors' failure to realise that all was not well at lems.

Under pressure from his biggest domestic institutional sharebolder. Dailchi Mutual lands on a venture capital marbored to step down as president earlier-this year in favour co-operation syndication re-

somebody else had done their homework, when in fact there was no clear leader," says one disgruntled venture capitalist. "As a result, the enquiries we made were very thin."

Ironically, the Prudential Bache offering circular, issued early last year, warns: "It is expected that prospective investors will conduct their own investigations of the company before concluding the proposed transaction," a process which most members of the British consortium assumed had already been carried out by the Japanese institutions.

The second lesson is all to do

The second lesson is all to do with the uncertainties of Prudential Bache's position acting simply as a dealer in securities, but also at the head of what was really a venture capital deal. The group felt it did not have the ultimata responsibility to conduct an exhaustive enquiry of the kind a venture capitalist would demand when working alone or leading a deal. That is why the wording on the working alone or leading a deal. That is why the wording on the offer document was stronger than usual for Prudential Bache. After all, quoted companies represent the backbone of the US group's trade and they submit to already tough and detailed information reporting rules.

"It just shows what happens when people trained in quoted investment start dealing with inquoted projects," says another venture capitalist. "Quoted people tend to accept as gospel truth most things that

as gospel truth most things that are presented to them because of the safeguards that go with quoted "companies." You just" can't get away with that in ven-ture capital."

Japan's entrepreneurial climate

Reflecting the economy

TO EUROPEANS, Japanese industry appears to be totally dominated by the big paternalistic corporations like Mitsubishi, Sony and Nissan. In reality, the proportion of workers employed in small and medium sized enterprises in Japan has been consistently around 80 per cent of the workforce, a much higher pro-portion than in Europe and

Direct comparisons with other countries are difficult because of the different bases used for statistics, but in the UK, for example, only around 51 per cent of workers are employed in companies having fewer than 500 workers.

fewer than 500 workers.

According to Masamitsu Hiroumi, deputy director-general of the small and medium enterprise agency of tha Japanese Ministry of International Trade and Industry (MITI) in a paper to the 13th International Small Business Congress in London last week, Japanese small firms have strongly supported the development of the country's post-war economy. But they have recently needed additional help from the Japanese authorities because of problems caused by the 60 per cent appreciation of the yen against the US dollar.

Hiroumi gave an assessment

Hiroumi gave an assessment of the small business sector of Japanese industry that could be instructive for businessmen in He argued that small and

medium enterprises in Japan had changed as the economy had developed and the way in which they were perceived had

ance on low wages created by a surplus of labour there was a danger that they might be left behind by economic modernisa-tion and become a drag on

economic growth.
But then the differences between large and small busi-nesses in terms of both wage levels and productivity began to lessen and attention began to focus on the positive aspects of the small business sector. One of the major advantages

One of the major advantages was found to be the inherent dynamism of smaller enterprises. The structure was loss complex than that of the larger corporations and this facilitated quicker and smoother communication and decision making.

This in turn allowed for greater flexibility and mobility of small and medium business management. "In addition, small enterprises more often made it possible for owners, whom I think have a stronger entrepressured which there are the management of the stronger of the s entrepreneurial spirit than em-ployed managers, to take com-mand at the front line of the business," said Hiroumi.

One of the key indications of this dynamism was the active starting up and closing of businesses. Statistics from 1974 to 1984 showed that around 55 per cent of small businesses closed their deeps but almost the their doors, but almost the same number of businesses opened up.
Through this constant replace-

ment, the overall industrial structure in Japan had been medium enterprises in Japan had changed as the economy had developed and the way in which they were perceived had also changed.

Through the initial stages of Japan's post-war economic structure in Japan had been undergoing a great transition. In addition, there was the entry of small businesses into new fields, and a recent study by the Japan's post-war economic cent of all small and medium

growth small businesses had low manufacturing concerns had productivity and technology moved into a new field at some levels and because of their relipoint in their history.

point in their history. But there were also inherent weaknesses in the present econo mic position of small businesses, including the growth of protec-tionism and the strength of the yen, and the Japanese Govern-ment had therefore had to adopt ment had therefore had to adopt a new enterprise policy to cope. Since last spring, levels of both production and exparts had dropped compared with those of a year previously and the pace of bankruptcies caused by the appreciation of the yen had accelerated. The number of businesses predicting poorfuture performance was also growing.

growing.

The adjustment small businesses ueeded to make were based partly on the Japanese Government's need to harmonise its economic structure with the international economy, and partly on the sheer need to survive.

The pressures were to nu-

The pressures were to upgrade products, give products added value, diversify operations and convert to other kinds of business. Accordingly, government assistance had been given to what was given the general title of "business con-

New legislation had been in troduced to include special loans, credit guarantees and preferential tax treatment, and stronger measures were being considered for regions with particularly severe employmen

The Small and Medium Enter-prise Agency within MTI was therefore preparing to intro-duce the necessary legislation in the current session of tha Diet, the Japanese parliament, said Mr Hiroumi.

In brief ...

Small enterprises with cash in their current accounts could well be losing money without knowing it, warns what to Buy for Rasiness, managers.

The magazine maintains in a servey of high-interest-bearing cheque accounts that "all clearers give a so-so-deal at best when it comes to rewarding you for leaving cash in their safe hands and a downight rotten one at worst." The report points out that while the average:

Tel: 0823 57905 - Ref: DGNH

clearing bank current account offers almost no interest, the choque accounts offered by merchant banks and licensed merchant banks and Heensed deposit takers can yield anything from 9 per cent — as available at the Schroder Special Account in the middle of last month when the study was compiled — to 11 per cent at the Wimbleden & South West High Interest Cheque Account.

Several Cliv merchant

Several City merchant banks, like Arbuthuot Latham for instance, are actually keen to attract small business deposits. But the report adds that such high interest cheque accounts should only be used as additions to; not as alternatives to, normal clearing bank facilities. They cannot be overdrawn and are in general less convenient to

"The clearers might pro-test that their full service banking results in overheads that make it impossible to after such good terms, but the truth is," says the maga-zine, "that they are increas-ingly using their business customers to subsidise private accounts."

for Business, 11, Kings Road, London SW2 4RP. UK sub-scriptions are £46.50 for 10 copies.

Business Opportunities

READERS ARE RECOMMENDED TO TAKE APPROPRIATE PROFESSIONAL ADVICE BEFORE ENTERING INTO COMMITMENTS

LOOKING TO EXPAND YOUR BUSINESS.

We are a Caterpillar Dealer and operate one of the most efficient Parts Distribution systems and Repair services in the United Kingdom and intend to expand the scope of this facet of our business by representing additional items.

We have branches at Muir of Ord, Perth, Aberdeen, Glasgow, Winsford, Leicester, Cannock, Cardiff, Clay Cross, Highbridge and St. Austell, all linked by overnight transport. All have parts storage and workshop and fixed repair We are interested in hearing from any quality Prime

Product or Component Manufacturers who need an expert after sales service organisation to enable them to expand their business. We will consider any type of product as long as it

does not compete directly with Caterpillar product lines. Any Interested party should please contact: Roger Evans-Manager Product Support Sales.

FINNING

Finning Limited, Watling Street, Cannock, Staffs, WSII 3LL. Telephone: (05435) 255L Telex; 338523.

DO YOU REQUIRE

ELECTRONIC PRODUCTS MANUFACTURING?

An electronics company engaged in the dasign and manufacture of products for other companies, is now seaking new clients who require products manufactured by an external organisation for marketing under their own name. The company has an excellent reputation in developing and manufacturing products for major UK and international companies and has considerable experience

in a range of infectionic disciplines.

All responses will be treated confidentially

Write Box F6897, Financial Times

10 Connon Street, London EC4P 48Y

or Talephone Matthew Lawrence (07357) 4741

INCREASED SALES IN USA

Companies who wish to establish or improve their position in the USA fees several problems;

Geclining dellar value

Local and State regulations

Local and State regulations

Local and State regulations

Market, manufacturing and everhead differences

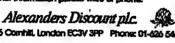
If you wish to build a manufacturing plant or acquire a company in the
USA or empty went to have a better understanding of the markets and
manufacturing techniques, use the resources of: TLA Management Consultants — a brased line menagement consulting company; and TLA
Acquived — epocialists in acquiretions, divestitums and margers. Contact: Tony Liewellyn (President), TLA, PO Box 2513 Gien Ellyn, (L 60137, USA - Tel: (312) 898-4894

Cash Flow Eased at Reasonable Rates

If your company has sums of money fied up in good quality debtors you can furn them into immediate cash using either bills of exchange or an invoice discounting facility of rates of interest that may be less than your bank is currently charging you.

Alexanders Discount p.l.c. established in 1810, one of the members of the London Discount Market Association, have for many years specialised in trade finance.

For further information please with or phone









EXTRAORDINARY PARTICIPATION OFFER

Up to 50% profit per year

Participation in Swiss-based licence development company. Minimum interest 7.5% p.s. guaranteed through bank. Participation up to 7.5 million Swiss francs in minimum shares of SFr 250,000.

Information:

FRESHWOOD INTERNATIONAL B.V. P.O. Box 50, 1790 AB Den Burg/Texel Netherlands

EXCLUSIVE NEW COMMERCIAL MORTGAGE FACILITY

Available to Companies currently profitable after at least one year's trading. Audited accounts not essential, We visit you and indicate on the spot your elegibility for a loan (minimum £50,000) repayable over terms up to 30 years. Acceptable properties (subject to survey) are owner-occupied factories, warehouses, offices, shops or residentrial premises. For further information ring (0272) 743710 (direct line for enquiries) or, if busy (0272) 743535 (switchboard).

REDCLIFTE ASSOCIATES CORPORATE FINANCE LTD 92c Whiteladies Road, Bristol BSB 2QN

U.S.A. BASED REAL ESTATE DEVELOPMENT TEAM

SEEKING FINANCIAL BACKING

Economically viable projects
Experienced in historic instruction projects
Experienced in historic instruction projects
Experience Locating projects: negotiations; financing; construction managament: design; and leasing;

South weatern New England based
Financial backing in form of nguity in medium six (6) figure magn sought
A DEVELOPMENT TEAM WITH A PROVEN TRACK RECORD
Interested parties may reply with full disclosure of identity to Box F6842
Financial Times, 10 Cannon Street, London ECAP 4BY

BUY GOLD

Price London-8% min. 1000 kg lots Germany Tel: 0211/4983060

A WELL ESTABLISHED COMPUTER COMPANY seeks affiliation and/or acquisition of an existing computer service company which is preferably IBM mainframe equipment oriented.

Interested parties should submit details on type of equipment employed, industry they service, number of employees, i.e. software development differentiated from production plus sales or administrative staff.

All replies will be treated in strictest confidence.

Please reply to Box F8896 Financial Times, 10 Cannon St., London EC4P 48Y

ICASS

We have recently developed and sold and installed an industrial Control and Supervision System, which has improved afficiency of large multi-boilerhouse installations by over 15%. We are looking for an association with or acquisition of a mechanical/electrical contractor in order to fully realise the market potential.

Write Box F8892, Financial Times, 10 Cannon St., London ECAP 4HY

Motor Dealer Group

BAD DEBTS? Private Company — profitabla, with substantial turnover, seeks amalgamation with similar business, prefarably with Dynamic Management wishing to continue and participate in future access. Bad debte purchased or collected (flexible structuring or transactions). Consumer credit receivables praferred but ell propositions considered, No transactions too large or too small Apply in the strictest confidences Bankers References given and received all Information treated in strict confidence. DEBT RECOVERY SERVICES Kent House, Wood 5 Taunton TA1 1UW

Write Box F6894, Financial Times

47% Profit to our investors

Please contact us for a copy of the investors 1985 Financial or the investors 1993 Financial Stetements. Audited by leading International chartered accountants. We are exchange advisors; our investors also made profits in 1982, 1983 and 1984 of 52%, 41% and 43% respectively.

TOX ASSOCIATES APS 3080 Tikob Denmark Tel: 2 24 80 85 Fax: 2 10 10 64 London - New York - Chicago

HITECH

Wa are prepared to invest in Hitech companies who have technical or market synergy with other companies in tha group. The intention is a Stock Exchange listing within three to five years

Please write in confidence to: Box F6891, Finencial Times 10 Cennon St, London EC4P 4BY

CATERING TRADE NEWSPAPER, 100,000 readership London, seeks profetable lines suitable for "reader offers" or mail order. Write Box F.6821, Financial Times, 10, Cannon Street. London

Est, 1870, seeks link/takeover by large financial institution for Conveyancing work, etc. RMA. 0245 252525 any

THE BUSINESS CONNECTION

Collins-Wilde, nomeandabroad

COLLINS-WILDEPLC: acquisitions, mergers, disposal companies; corporate and indu company property funding; assument the USA and W Germany also milable, Contact Terry Collins.

COLLINS-WILDE trade and overseas project fundings cross-border marketing. Contact Peter Turner.

HOME BRIDGING PLC: substantial funds for companies and developera (as well as private individuals) requiring residential property bridging loans. Contact Clive Burgess FIB

Collins-Wilde Group

WHEN TWO FAST GROWING INDUSTRIES MERGE SOMETHING NEW IS CREATED

Is created in investing is unionary idea of music an mail order npply to box F8852, Finencial 7 10 Cannon Street, London ECA for our full prespectun

YOUR MAN IN

cast to the state of

Singapore who:

n has 30 years general management and consultancy experience in Far East

professional management or epresentation at minimum cost Visiting UK end November

NEW JAPANESE GOVERNMENT Information services published in English give fast access to important HiGH TECH developments in Japan. Details from Official Representative:

MICROINFO LTD.
POB 3, Attan. Hauft GUS4 2PG
Telest: 558631

Senior Management in Construction

A two-week programme intended for professionals in the construction industry who hold or are about to take up senior mangerial positions. Participants include directors, area and contract managers, major project managers and heads of service and technical departments.

- Course Objectives To focus attention on the fundamental need for companies to develop strategies in line with available markets and resources.
- To develop management skills necessary to ensure that participants understand how to penetrate those markets and manage companies profitably in them. To increase awareness of the differences between corporate and project/

Management areas covered include: Marketing and Finance in Construction, Selling and Negotiating Skills, Computer Applications in Construction, Getting Results through People and Personal Skills in Management.

production management.

Book now for our next course: 1-12 December 1986 Fee: £1,150 + VAT exclusive of accommodation, inclusive of lunches. For further details on this course, and for a copy of our 1987 bractiure, please telephone of write to:

Urwick Management Centre Ruth Drahotz, Course Administrator Urwick Management Contre, Baylis House, Stoke Poges Lane, Slough SL1 3PF, Berks. England. Telephone (0753) 34111 Telex. 848146 PRRWAT G

Price Waterhouse



guille 114 . . : 4.2 200 2 2 J. 100

والمنات والتباي

N. 43

100

_____ te -1 & ক্ৰামান্ত ভাল

entare that in a

THE ROOM TO SELECT THE PARTY.

8421

MANCE

HANC

.

 g_{fic}

En art

Details from What to Buy

THE FAR EAST represented in the Far East by

British executive based

specialises in business and marketing strategies has residential qualifications to not no n local director ideal for companies requiring

Write Box F6870, Financini Times 10 Cannon St, London EC4P 48Y

Management Courses

Business Opportunities

READERS ARE RECOMMENDED TO TAKE APPROPRIATE PROFESSIONAL ADVICE BEFORE ENTERING INTO COMMITMENTS

PROPERTY DEVELOPMENT

Private property developer with many years' experience and an established professional team has more opportunities in development/refurbishment than he can cope with financially and would like to envite investors who wish to benefit from such surplus opportunities to participate in joint ventures on the basis of one investor per project. There are many such projects of various sizes available. As an example — 30% funding of purchase cost only would be sufficient to complete the project with a 50% share of the profits. The advertiser will meet each interested party for further discussions.

Please reply to Box H1350, Financial Times 10 Cannon Street, London EC4P 4BY

LEISURE COMPANY

A company in the leave business is looking for companies with leaves or stilleted interests with at least n one year record and pre-tax profits of \$250,000 upwards with which to merge with n view to ambining third-less company status in the near future Please write in confidence to Box F6002 Finencial Times, 10 Cennon St, London EC4P 4BY

MICROCOMPUTER

Section of the Section of the Section of

<

ACTION IN

6 - A - A -

Charles all

| 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140

7 1 14 1941 P

ne i natu ne i natu

رو مين. دو مين

481 (2)

ما الدواري

ACRE MY

THE FARE

فالمرفقوس أأأر

 $(x,y) = (x_1^{n-1}, \dots, x_n^{n-1})$

3 1 105 °

* 163 L vi. 1 22

. .

111111

. .

A TRACT

urses

AND STREET

The second second second

The same of the same of

101 to 27 2786

Section Street,

, **y** (

.N-*

1. 221

Systems house supplying manufacturers wholesalers and retail in an important vertical retail in an important vertical roarket, with n well established multi-user client base, competent staff and turnover in excess of £600,000 SEEKS AMALGAMATION
Principals only to Box P6786
Financial Times
10 Cannon St. London EC4P 4BY

COMPUTER SERVICES

Entrepreneur seeks association with B.E.S./VENTURE CAPITAL To launch important new

Write Box F6898, Financial Times 10 Cannon St. London EC4P 4BY

MORTGAGES AVAILABLE COMMERCIAL & INDUSTRIAL

Tel: 01-546 8857 Finance Brokers: Maybury & Co 14a St James's London SW1

LLOYD'S BROKER

seeks Partner to invest and introduce business. Principus only should apply in strictors confidence to: ELLIOTT & COMPANY 3 Staple Ion, London WCTV 7882. Please mark anyelope "Livyt, a Papaler" in the confidence of the confidenc

COMMERCIAL FINANCE Competitive Rates

10.75% Fixed Interest Marinage Business Finance to 80% of cost Asset-based Finance Construction finance to 100% Sovereign Insurance TEL: 01-378 6322

NATIONAL MAIL ORDER

COMPANY Is looking foor NEW PRODUCTS to expand its range of tools, security products, craft/hobby items, furniture fitting and

hardware.
Interested manufacturers or agents
should send details of their
product range to:
Box F0039. Financial Times
To Cannon St. London ECSP 48Y

FAX UPDATE Fax Machines Ex-Japan now evall-able. For ALL your FAX require-(0243) 860682/830884

RECORD COMPANY RECORDING STUDIO Investment of £250,000 required for immediate bergnin purchase of W1 recording studio/offices, and issuech of dynamic new disco label offering high return.

Phone 01-452 7246

EX CHAIRMAN OF QUOTED GROUP Chartered Accountant

Many years experients, available for business involvement. Executive/non-assecutive. Finance participation considered.

Reply in confidence too:

Box FOSSS. Financia Times

O Compon St. Landon ECIP 48Y

DO YOU REALLY KNOW MATS HAPPENING I CAT Let any leading expolers of professional quality attractions and counter streetlines equipment recording bristonesses, buy consumptions, etc. Bing or write for prior first dulidate Charles of the consumption of the consumption Ring or write for prior first dulidate Charles of the consumption of the consumption Ring or write for prior first dulidate Charles of the consumption of the consumption The consumption of the consumption o

Business Services

FINANCE

For International Trade Import/export, back to back letters of credit, specialists in cross fund-ing, including counter trade, between Europe, North Americs, Africs, Middle and Fer East.

Principals only write to: Corporate & Industrial Finance & Princes Moure, Hereford Road London W2 4NX

FINANCE

Lines of credit up to £10m arranged by qualified Bankers for individuals corporates with viable proposals. Special expertise in corporate. property and interna transactions.

Write or telephone with details: HOLGATE & ASSOCIATES 4/6 Bury St, London SW1Y 6AB Telephone: 01-930 6472

> FOR BEST TELEX/FAX PHONE:

01-847 1965 GRECT NAM. LISTS & SERVICES—1005
of ready-built lists immediately evallable. Suppliers to leading UK companies.
Free Catalogue. Marketscar., Freenots.
Contrastor. Anno Marketscar., Freenots.
Free Catalogue. Marketscar., Freenots.
Free Catalogue. Marketscar., Freenots.
Free Leading and Free Catalogue.
James S. Dunley & Associates — BCM
Valuation, Loadon WCIN 330K. Tel:
01-404 5011/01-668 2722.

6 .

Offshore & UK.

· Companies -SELECT COMPORATE SERVICES LTD.

3 Mount Pleasunt, Douglas, John of Mass Tal: Dauglas (0624) 25716 Talest \$25554 BELLECT 9

2-5 Old Breds M. 2-5 Old Breds M. Tol: 01-483 4244 Tel: 02-483 4244

LIMITED COMPANIES FORMED BY EXPERTS FOR £121 INCLUSIVE READY MADE £121

COMPANY SEARCHES EXPRESS CO. REGISTRATIONS LTD Epworth House 25-35 City Road, Landon EC1 01-628 5434/5, 7361, 9936

Super fully furnished OFFICE SUITE IN HAYMARKET approximately 635 sq ft Consists of 1 Esecutive Hoom 3 Justina rooms, talex machine and photocopier Tel: 01-836 0947/01-836 0948 01-836 0949 or 01-362 1280

INSTREME

[acolvent companies for [acolvent companies and Assets (RLC)." 61-bar 2036.

[acolvent companies for [acolvent companies for [acolvent companies companies for [acolvent com AND ASSETS of solvent and it companies for sale. Contact ess and Assets (RLC)." 61-627

Office Furniture

BELOW COST—FULL WARRANTY

V29 Modems

Statistical Multiplexors — 4/8 port Kilostream Multiplexor - 4 port

Tel: (0256) 64705

EXECUTIVE ITALIAN OFFICE FURNITURE

Collection of high quality executive and operational ranges finished in natural veneers: Rosewood, Walnut, Black Ash, Light Oak, including desk returns, bookcases, sideboards, conference tables. Many configurations of systems furniture. In bi-laminate finishes and light oak veneer.

Substantial discounts, immediate free delivery and installation. Full details: Tel: 0726 69131

EXPANDING FIRM OF INTERNATIONAL MARKETING CONSULTANTS

Net profit around £70,000 p.a. after three years. Growth potential unlimited. Agency network. Own extensive showrooms and offices in large retail outlet specialising in leather suites (sales developing rapidly). Seeks financial partner in order to expand. Or would sell completely if principal were retained as consultant. Good lease, low rent and rates. Business valuation in stocks around £30,000.

Box F6900, Financial Times 10 Cannon Street, London ECAP 4BY

Venture Capital Finance

iston Development Capital Limited is a member of a successful and diverse quoted industrial Group, Minority equity investments from £150,000 to £1.5 million may be undertaken, and in addition to money we can offer a wealth of experience in managing auccess. Send your business plan to Nicholas Panes or Michael Johnston at:

Johnston House, Hatchlands Road Redbill, Surrey RH1 1BG Phone (07372) 42466

BUSINESS CAPITAL
Enquiries considered from UK/EEC
businesses meking expension
capital or nequisition financing in
excess of £100,000
Contact:
BATERFUND FINANCIAL GROUP
füghley Maror. Creefey Lane
Balcombe, Sursex Riti7 GLA
Trilephones: 0444 S1771
Trilex: 296147 (TX LING G)
Attn-AMEX 0148-10446

INVESTMENT PARTNER Sought for international development of energetic and highly profitable new theme/entertainment concept Principals only to Box F6903 Financial Times 10 Cannon St. Landon EC4P 48Y

EX COMPANY DIRECTOR

OF PLC

With Capital seeks Interest/involvement in Buisines or Project with Potential. Reply Box F8885, Financial Times 10 Cannon Sr. London ECAP 48Y

ITALY

Looking for suppliers, Services?
Difficulty dealing with companies?
Its lian based Buying/Handling
Agency with British M.D.
Looks to expand client list.
Contact:
Higel Baymham

DASHWOOD ITALIA
Via Sirbot 4
20062 Ciniseto Bahamo, Milano
Italy - Talex 31050 PTMMZ 1
Neft Nigel

EXPORT OPPORTUNITY

60 new unregistanted Range Rovers
Life, export npac, with nir cond,
sinted glass, low comp. engine
3 and 6 door, manual and
automatic available
All et nirretive prices and ex-sace
Leavesley international
This (0283) 7a1071
Talest: 34325 LEAVES &

VALUABLE 19-MONTH TAX

SETTLEMENT DEFERRAL RIGHTS AVAILABLE

Pre-Sth April 1985 Company Orbit-phie with cautinating contractor fundi-mate proven method of extending your commission of the company of the formats of the company interests swings for any big Company to present Write Sex FEST). Francial Titled-10 Cannon Street, Lowdon SCAP 48Y

FINANCIAL ADVISER Chartered Accountant with

considerable commercial experience with small/medium alzed compense easts additional partition post-with similar organisation beard in Surrey on Enercial advisor Write Box F8901, Finencial Times 10 Cannon St. London ECAP 48Y

OFFICE CLEANING/ELECTRICAL MAINTENANCE COMPANY

Newly formed, go-ahead com-pany based in South Herts/ North Londoo areas requires Venture Capital. Superb corporate image, several excellent clients, looking to long-term expansion and niming for USM within sky years Write Box F6886, Feancial Times 10 Gennen St. London EC4P 48Y

EXPORT TO USA English couple based in Kansas City, Interested in marketing and selling your product in USA. Tel: Dr. Ellis on 01-543 2817 for Interview in England Nov. 3-7 PO Box 2501, Olethe, KS 60062, USA

CESSNA CITATION - 500 Seriat No. 82, 6000 TT, 3000 SOH 600 SHS. New Collins Avionics and RNAV new paint/interior CESCOM since new Carporets owned - \$375k US 13 Tale: 505-904-2137-24

Teles: 140291 EAH-UT Hotels and

FOR SALE

GROUP OF

POSTTABLE WEEKLY singuithers reswe-berther, Sreadl scrotter of substrictions still available. Write Seat F.5904. Flauncial Times, 10, Causer Street. Landon ECAP 45V. Licensed Premises

Plant and Machinery

3 RESTAURANTS SALE OF SECOND HAND Occupying Lossehold Premises FORK LIFT TRUCKS in North West England.
Turnover (excluding V.A.T.)
in excess of (2 million. All leading makes in stock including Container Stuffers Electric, Diesel or Gas Electric, Diesel or Gas
All ready for fundedists work
Impaction Invited
Export enquiries welcomed
Price List eart or request
No reasonable offer refused

COMPUTERISED WEATHER

STATION Unexpected opportunity to acquire on a going-concern basis the intellectual property in an aucomatic computerised weather station.

Customers world wide existing orders.

Vintiety of applications in agri-culture and other fields. Write Box H1382, Financial Times 10 Gennon St. London ECAF 4BY

WEST KENT Well known Ladies Fashion House (Incl. Jaeger division) in superboarded premises with Box ettached office for consultancy or supplementary business. 1956 y/o in excess of £100,000. Gross proug 45% plus. New 15 yr lease b., pa, fully fitted. Full details:

FARSONS (0732) 451 211

ASTA TRAVEL AGENCY In Kine's Read Landon SW3 OF PARTICULAR INTEREST TO ANY COMPANY WITH TRAVEL BILLS OF EOK PA PLUS Please reply to: Box H1971, Financial Times 10 Cannon St., London EC4P 48Y

Mirmingham Fork Lift Truck Ltd 4-8 Hame Rd, Saitley, Birmingham Tel: 021-327 5944/5 - Telest: 336723

BUSINESS FOR SALE

Postream TVR 1945
Rotary compressors (or vectum pumps). T/o 220,000. Old established good product reputation. Factory 8,000 at ft empty). Available isseebold or free-bold. Hitchin area. Easy terms to responsible buyer.

Write Box H0000. Financial Times 10 Cauron St., London 5C4P 48Y

Businesses Wanted

Chemical Manufacturing Company

We require a new site of 25 acres to accommodate an expanding business and have the funds to purchase either a new or surplus site or an existing company. We must be able to store inflammable raw materials in bulk. Please send details of any suggestions to:

Box H1370, Financial Times 10 Cannon Street, London EC4P 4BY

Sevice and/or Distribution Business Wanted Publicly quoted company is seeking acquisitions in the service and/or distribution sectors with actual or potential annual net profit before taxation of at least £200,000 Consideration could be in cash or equity or a mixture of both

Please write in confidence to: The Chairman at St Palace Gardena Terrace, Landon WS 488

QUOTED COMPANY

London Quoted Company seeks to acquire established electronic component manufacturer with pre-tax profits in excess of £1m per annum. The comof LIM per annum. The com-pany must have a diverse custo-mer base and strong manage-mant who would continue to run the operation and develop les potential. Write Box H 1364, Financial Times 10 Ganson St., London ECAP 48Y

ACQUISITION WANTED

A reputable established English company is seeking to acquire a small/medium sized company in the field of either paper related product manefacture and/or paper product distribu-

All replies will be treated in the strictest confidence Write Box H1979, Financial Times 10 Cannon St. London EC4P 48Y

Businesses for Sale

HOUSE PLANT PRODUCTION AND WAREHOUSING BUSINESS FOR SALE

On behalf of clients we are instructed to invite offers for an established producer of high quality house plants based in the East Midlands. Turnover circa £6.0m.

Interested parties please reply in writing to:-CDD/NDB Hambros Bank Limited 41 Bishopsgate London EC2P 2AA.

HAMBROS

William Walkerdine Limited

(IN RECEIVERSHIP)

The business and assets of the above company and its subsidiaries are for sale as a consequence of Receivership.

William Walkerdine Limited-long established Derby based housebuilder

 Annual turnover £9 million
 ■ 12 major contracts contracts for housebuilding and returbishment work with local authorities and housing

Specialist joinery division
 Freehold premises

SUBSIDIARIES:

Plus Plant (Derby) Limited Heavy plant hire. Annual turnover £750,000

Plus Plumbing & Heating Limited Plumbing and heating contractors. Annual turnover £600,000

Trent Ceilings Limited Suspended ceilings and partition contractors. Annual turnover £400,000

Plus Prefabrications Limited

Architectural metal work fabricators. Annual tumover £50,000 Interested parties should contact: R J Roos FCA, Price Waterbouse, Victoria Rouse, 75 Militan Street, Mattingham R&1 3QY Interhana: 8502 418321 Inter: 377621





FOR SALE Engineering Business

Well-known and highly reputable engineering company producing its own designed and manufactured range of oilfield equipment for sale due to retirement of director. Company cett profit before deduction of directors' emicments amounts to approx. £200,000 per annum (year end profit projections resulting from recent developments.

Principals only should write to Box H1374 Financial Times 10 Cannon Street London EC4P 4BY

CASH & CARRY

Wholesale cash and carry business operating from modern single storey 60,000 sq ft premises selling groceries, wines and spirits and non-foods Having parking for over 200 cars Fully equipped and based on prime freehold site in the North West. The business has a strong customer base and is a strong customer base and is available as a going concern

Write Box H1377 Financial Times, 10 Canno London EC4P 48Y

UPHOLSTERED FURNITURE NANUFACTURERS

Controlling interest available in established business with excellent factory facilities providing a capacity to produce up to 200 sultes per week.

Premises are adjacent to motors and the performance based in porth-west way system, based in north-west England.

The two key executives, who between them own 33% of the equity and are responsible for the primary functions for the business, will remain.

Write Box H1378, Financial Times 10 Cannon St. London ECAP 4BY

CHILDRENSWEAR MANUFACTURER & WHOLESALER FOR SALE

Offices invited in region of £700,000
Apply:
FMCS Management Connultante Ltd
Freed St. London WZ 1NJ
Tel: 01-262 2841 (Atth Martin Stone)
Teleo: 254517 FREMIL

Sign

Manufacturer The business and assets are offered for sale as a going concern by the Joint Receivers and Managers, Including:

Tumover in excess of £1m p.a.

 Leasehold premises in North London Plant, machinery and stock Customer orders and work in progress

For further information please contact the Joint Receivers and Managers:
SJL Adamson CA & ME Mills ACA,
Arthur Young, Rolls House,
7 Rolls Buildings, Fetter Lane,
London EC4A 1NH. Tel: 01-831 7130 ext, 3960 or 4240. Telex: 888604 AYLO.

Arthur Young A MEMBER OF ARTHUR YOUNG INTERNATIONAL

Bulk Haulage Contractor

North Notts The goodwill and business assets are offered

Long term contracts with British Coal, County Councils etc. Turnover approaching £1 million p.a. 18 ERF tipping lorries, Scannia tipping lorry, ERF tractor unit, Crane Frenhauf bulk tipping trailer and Peugeot Diesel 504 Pickup.

Equipped 3 bay garage on 1.6 acre long whold site. Further information can be obtained from: The Joint Receiver and Manager, John Twigg, Grant Thornton, PO Box 57, 30 Hounds Gate, Nottingham NG1 7DH or telephone Keith Blades on 0602 476333. Facsimile: 0602 474318.

Grant Thornton CHARTERED ACCOUNTANTS



Motor Related Business

The business assets, freehold and leasehold properties and goodwill of a motor car dealership with a well known European franchise together with major car rental operations and garage businesses located in the Channel Islands are to be sold.

Enquiries to: N.K. Challis Peat Marwick Acquisition Services (licensed dealer in securities) I Puddle Dock, Blackfriars London EC4V3PD

MARWICK

Telephone: (01) 236 8000 Telex: 8811541

Airline for Sale

One of the UK's fastest expanding third level airlines is seeking interested purchasers. With a substantial mixture of scheduled services and long-term charter contracts, the company needs growth capital and offers an exciting opportunity for diversification of consolidation with existing aviation interests. Turnover exceeds £7 million annual.

Principals only reply to: Box H1375 Financial Times, 10 Cannon Street London EC4P 4BY

OTIM Industries Ltd Herne Bay, Kent

The Administrative Receivers offer for sale the assets and goodwill of the above company. Currently working from leasehold premises the company is involved in the worldwide distribution of engineers' tools and equipment, Annual turnover to Sept '86 was approx

For further details contact Peter Beirne, Grant Thornton, Lees House, 21 Dyke Road, Brighton BN1 3GD. Tel: 0273 778955, Telex; 877906. Fax: 0273739585.

Grant Thornton CHARTERED ACCOUNTANTS

PROFITABLE SHEET METAL AND LIGHT FABRICATIONS COMPANY

Turnover £1.6m - 60 employees 60,000 sq ft Factory in the North West Lone established with good customer base Write Box H1396. Financial Times, 10 Cannon St. London EC4P 4BY

FOR SALE - MANUFACTURING COMPANY - SE ENGLAND

Megufaturing solids hand ling equipment i.e. preumatic conveying systems, mixers, driess, ntc. including high-tach electronic/computer control systems. Long established profitable company in freehold premises. Major shareholder wishes to retire, highly experienced existing moneonment team would remain. T/O £1.2m - Assets £700,000 - GP 45%

Interested principals only should reply to Box H1367 Financial Times, 10 Cannon Street, London EC4P 48)

UK COMPANY NEWS

Hargreaves capitulates after Belgian coal loss

processing and transport company, yesterday suddenly capitulated to the £98m take-over hid from Coalite after discovering that its Belgian could be acquisition was worthwhile.

The finance directors for the first time to make an informed estimate of the loss, Hargreaves said. The company was a c covering thet its Belgian coal two companies and their handling operations had over-stated the value of stocks. two companies and their edvisers did, however, spend most of Saturdey discussing

Hargreaves has been resist-ing Coalite's overtures for the past three months but decided it could no longer put up a convincing defence after it un-covered e £2.8m deficiancy in the value of stocks in Belgium. "Belgium represents only e tiny part of Hargreeves' husi-ness," Mr Varley said. "Our

Coalite, which has interests ranging from fuel distribution to sheep farming in the Falk-

Hargreaves' financial position. Mr Vartey said Coalite had considered revising its offer but had decided against lt.

main interest from the start has been in their UK operations. We are convinced the company still offers excellent

tands, first bid £77m for Hargreaves on July 28 bnt increased its offer to £98m on October 16.

Mr Eric Verley, Coalite chairman, said yesterday that he was convinced that Hargreaves had discovered the full extant of the losses. In view of assurances from Hargreaves ciency were continuing but it company still offers excellent prospects for us."

Hargreeves' board said it hed recently hecome aware of e physical stock deficiency in the shall it is offering 565p in cash and one of its own shares for every three Hargreaves physical stock deficiency in the shalling. Coalite is offering 565p in cash and one of its own shares for every three Hargreaves hare. There is also a cash alternative worth 270p for each Hargreaves share.

Coalite's shares. There is also a cash alternative worth 270p for each Hargreaves share.

Coalite's shares. There is also a cash alternative worth 270p for each Hargreaves share.

Coalite's shares. There is also a cash alternative worth 270p for each Hargreaves share.

Coalite's shares. There is also a cash alternative worth 270p for each Hargreaves share.

Coalite's shares. There is also a cash alternative worth 270p for each Hargreaves share.

Coalite's shares. There is also a cash alternative worth 270p for each Hargreaves share.

Coalite's shares. There is also a cash alternative worth 270p for each Hargreaves share.

Coalite's shares. There is also a cash alternative worth 270p for each Hargreaves share.

Coalite's shares. There is also a cash alternative worth 270p for each Hargreaves share.

Coalite's shares. There is also a cash alternative worth 270p for each leading the company of the c

If Hargreaves decided to close the company there would he edditional costs. The Bel-gian operations had anyway been expected to trade at a loss

In all the circumstances the board of Hargreaves believes that the Coalite offer is one which would now be recom-mended to shareholders," It said. The directors plan to

Burgess Products jumps 65%

Burgess Products, the manusubsidiaries fecturer of precision electrical order books.

Mr Bob Morton, chairman, reported that the company had completed its main restructur-ing programme and emharked upon a policy of expansion and growth by acquisition. He noted that the disposal of Burgess' sconstical engineering interests had eliminated the remaining loss-making activities within

fecturer of precision electrical and electronic components, saw pre-tax profits rise by 65 per cent in the 53 weeks to August 2 1988 to £3.1m.

Turnover excluding sales within the group, rose from £33.4m in the previous 52 weeks to £36.3m.

Turnover excluding sales ecoustical and other engineering products showed a loss of £36.000 (£324,000); and its newly ecquired Coin Industries exceeded expectations exceeded expectations
The final dividend is 2p
(1.5p), making e total of 2.5p
(2p) for the year.

comment

Since taking over as chairman of Burgess two years ago, Bob Morton has been not a little unpredictable. Morton made his mark et Euro Exhaust Centres, so it was against ex-pectations when he sold He said that prospects for pectations when he sold the current year were encourage. Burgess's interests in the carring, with all operating exhaust sector to concentrate on

subsidiaries having healthy micro switches. Then he took micro switches. Then he took shareholders by surprise this year hy diversifying into coin handling equipment. Morton's strategy is, however, clearly working; organic growth last year was about 50 per cent and earnings per share rose 46 per cent to 15.8p. Both sides of the husiness have the potential to grow organically et above to grow organically et above
15 per cent and, with debt now
at nil, further acquisition seem
lnevitable. Purchases are
likely to be in sectors where
Burgess already operates and,
in view of integration costs,
would produce less dynamic
results initially than the coluequipment arm. For this year equipment arm. For this year yesterday's closing share price of 245p and a tax charge of 35 per cent, that produces an un-demanding p/e of 12.

NOTICE OF REDEMPTION

To the Holders of

ENTE NAZIONALE IDROCARBURI

E.N.L

(National Hydrocarbons Authority)

64% Sinking Fund Debentures due June 1, 1988

NOTICE IS HEREBY CIVEN that, pursuant to the provisions of the Sinking Fund for the Debentures of the above-described issue, Morgan Guaranty Trust Company of New York, as Fiscal Agent, has selected by lot for redemption on December 1, 1986 of the principal amount thereof \$750,000 principal amount of said Debentures, as follows:

Outstanding Debentures of U.S. \$1,000 Each of Prefix "M" Bearing Serial Numbers

Also Deheotures of U.S. \$1,000 Each of Prefix "M" Bearing the Following Serial Numbers:

7 3279 4679 5379 6677 7879 8179 10379 13679 18679 18779 21679 22679 22679

On December I, 1936, there will become and be doe and payable upon each Debenture the principal amount thereof, in such coin or currency of the United States of America as oo said date is legal teoder for the payment therein of public and private debts, at the option of the holder, either (a) at the corporate trust office of Morgan Guaranty Trust Company of New York, 13th Floor, 30 West Broadway, New York, N.Y. 10015, or (h) subject to any laws and regulations applicable thereto with respect to the payment, currency of payment or otherwise in the country of any of the following offices, at the principal office of Banca Nazionale del Lavoro in Rome or the principal office of Banca Commerciale Italiana in Milan or the main offices of Morgan Guaranty Trust Company of New York in Loodon, Brussels. Paris or Frankfurt or the main office of Algemeco Bank Nederland N.V. to Amsterdam or the main office of Krediethank S.A. Luxembourgeoise in Luxembourg-Ville. Payments at the office of any paying ageot outside of the United States will be made by check drawn on, or transfer to a United States dollar account with, a bank in the Borough of Manhattan, City and State of New York. Any payment made by transfer to an account maintained by the payee with a bank in the United States may be subject to reporting to the United States Internal Revenue Service (IRS) and to backup withholding et e rate of 20% if payees out recognized as exempt recipients fail to provide the paying agent with an executed IRS form W-9, certifying under penalties of perjury the payee's taxpayer identification oumber (employer identification oumber or social security oumber, as appropriate). Those holders who are required to provide their correct taxpayer identification number on Internal Revenue Service Form W-9 and who fail to do so may also be subject to a penalty of \$50. Please therefore provide the appropriate certification when presenting your securities for payment. Those hold

ENTE NAZIONALE IDROCARBURI By: MORGAN GUARANTY TRUST COMPANY OF NEW YORK, Fiscal Agent

October 28, 1986

NOTICE OF REDEMPTION To the Holders of

KINGDOM OF SWEDEN

Floating Rate Notes Due 1999

NOTICE IS HEREBY GIVEN to the holders of the outstanding Floating Rate Notes Due 1999 of the Kingdom of Swedeo that, pursuant to the provisions of the Fiscal Agency Agreement dated November 28, 1984 and the Terms and Conditions of the Notes, the Kingdom of Swedeo inlends to redeem on November 28, 1986 all of its outstanding Notes, et a redemption price equal to 100% of the priocipal amount thereof plus accrued interest to the redemption date. Paymeots will be made on and after November 28, 1986 against presentation and surrender of Bearer Notes with coupons due May 1987 and subsequent attached to U.S. Dollars, subject to applicable laws and regulations, either (e) et the office of the Fiscal Agent in New York City, or (h) et the maio offices of Morgan Guaranty Trust Company of New York in Brussels, Frankfurt am Main and London or Kredietbank S.A. Luxembourgeoise in Luxembourg or Swiss Bank Corporation in Basle.

am Main and London or Kredietbank S.A. Luxembourgeotse in Luxembourg or Swiss Bank Corporation in Basle.

Payments at the office of any paying agent outside of the United States will be made by check drawn on, or transfer to a United States dollar account with a bank in the Borough of Manhattan, City and State of New York. Any payment made by transfer to an account maintained by the payee with a bank in the United States may be subject to reporting to the United States Internal Revenue Service (IRS) and to backup withholding at a rate of 20% if payees not recognized as exempt recipients fail to provide the paying ageot with an executed IRS Form W-8, certifying under penalties of perjury that the payee is not a United States person or an executed IRS Form W-9, certifying under penalties of perjury the payee's taxpayer identification number (employer identification number or social security oumber, as appropriate). Those holders who are required to provide their correct taxpayer identification number on loternal Revenue Service Form W-9 and who fail to do so may also be subject to a penalty of \$50. Please therefore provide the appropriate certification when presenting your securities for payment.

Coupons due November 1986 should be detached and collected in the usual manner.

Frooi and after November 28, 1986 the Notes will no longer be outstanding and interest

From and after November 28, 1986 the Notes will no longer be outstanding and interest

thereoo shall cease to accrue.

KINCDOM OF SWEDEN By: Morgan Guaranty Trust Company OF NEW YORK, Fiscal Agent

Dated: October 28, 1986

Hollis set to pip BBA for control of Grosvenor

BBA, which amounced 600 joh losses at its Leamington plant yesterday, will today reveal whether it intends to stay in the bid battle. It is widely expected to pull out.

Last month BBA reached an agreed £8m deal with Grosvenor which was topped last week by Hollia's £8.9m offer. The Grosvenor board has in effect withdrawn its recommendation to share-holders to accept the BBA offer by now advising them to do nothing pending further

Today is the first closing date of the BBA offer but it appears that the Grosvenor board is increasingly inclined to back the better offer from Hollis and has no reserva-tions about joining Pergamon.

new interest in engineering. Earlier in the month Hollis ecquired a controlling stake in Stothert & Pitt, the loss-

shares in **Norton Opax**

Mr Robert Marwell's BPCC bought 50,000 shares in Norton Opax last Wednesday, the day the latter's hid for fellow printing group McCorquodale fell short of

Norten Opax last week claimed acceptances from nearly 41 per cent of McCorquodale and extended the offer until 1 pm on November 7.

Westland £44.9m capital reduction

I.G. INDEX

Hollis, the furniture and timber subsidiary of Mr Robert Maxwell's Pergamon Press, looks poised to slip past the BBA Group to win control of Grosvenor Group, the troubled electronics and

Hollis yesterday acquired the 7.8 per cent stake in Grosvenor beld by Huntleigh Technology to add to the 10 per cent that has been pledged to it from Cranbury Estates.

Hollis is \$2 per cent owned by Pergamon and has become the vehicle for Mr Maxwell's

BPCC buys

BPCC's purchase, at 123p, was not disclosed until yesterday. Mr Maxwell also holds a 10.3 per cent stake in McCorquodale, with which he has backed Norton Opax's 2150m bid.

McCorquodale and its man-cial advisor, Kleinwort Ben-son, said yesterday that BPCC should have disclosed the purchase by midday on Thursday and that yesterday's announcement had followed a Takeever Panel inquiry at the request of Kleinwort.

Norton Opex said last night that it had learned of the BPCC share purchase only when it was disclosed to the Stock Exchange yesterday

A £44.9m reduction in the capital of Westland was epproved by the High Court yesterday. The court was told by Mr Richard Sykes, QC for Westland, that the reduction would enable the company to write off e debit balance on its profit and loss account which prevented it from paying dividends.

The company'e ordinary share capital would he reduced by £26.6m and its share premium account by £18.3m.

FT for November 1,259-1,266 (+3) Tel: 01-828 5699

Nikki Tait on the implications of the bid for Garnar Booth

Why the fur is flying so fiercely

sit in Paul Channon's in-tray.
Winging its way to the
Secretary of State for Trade
and Industry is the recommendation from the Office of Fair Trading over whether Strong & Fisher's £20m bid for fellow leathor maker Garnar Booth merits a Monopolies Commission reference.

The hid may not be large— but the issues it raises look as tangled as the lamb-skins involved.

Already, the OFT's investi-Already, the OFT's investigation has missed the hid's first closing date. And already, representatives right across Britain's sadly-shrunken leather industry — employers to suppliers — heve anxiously chipped in their say about the emergence of e strong buyer who might wish to rationalise. At heart, the battle is about conflict of trading philosophies

conflict of trading philosophies — two different ways of dealing with Britain's declining role in an industry where it once stood roud. The seeds of that destruction were sown after the Second World War, as Third World

countries — India, for example
— started to build up their
own domestic tanning and
leether manufacturing busi-

British firms, obliged to im-port raw materials at relatively higher cost and lacking a pool of cheap labour — were in-creasingly hard-pushed to com-

Result: the amount of finished Result: the amount of finished leather produced by British firms has near-halved from around 445m sq ft in 1971 to around 254m sq ft last year. Strong & Fisher and Garnar Booth are the two largest players left. Both are family firms, founded in the later-nineteenth century and originally based in London'e Bermondsey.

Likewise, Mr Richard Strong managing director of Strong &

company.

Appleyard approach Extel to sell City HQ Shares in Appleyard Group rose sharply yesterday after the Yorkshire-based motor trader said that it had received an approach from a third party about a possible bid for the company.

Extel to sell Lity HQ

Extel, the business and sports information service, plans to sell its City headquarters and move group management operations to smaller; central London premises.

The group said that if expected "considerable annual savings" from the move. Extel Yesterday'e 33p increase in the share price, to 188p ex-rights, values Appleyard at savings him the five-took e long lease on the five-storey building in East Harding Street in 1956.

The planned sale marks the Appleyard said that it was consulting its financial edvisors, Hill Samuel, and that it would

final stage in Errel's move to separate group management from trading activities.

Hill Samuel, and that it would make a further announcement as soon as possible. It strongly edvised shareholders to take no action and not in sell their shares in the market.

The company recently raised nearly £3.2m with e one-for-three rights issue. It said last week that \$5.6 per cent of the new shares had been taken up.

final stage in Extel'e move to separate group management from trading activities.

PWS HOLDINGS—On October 24 e wholly-owned subsidiary of Opticford purchased 50,000 ordinary shares in PWS at 306p.

Opticford now holds 9,759,963 nrdinary (48.9 per cent).

DIVIDENDS ANNOUNCED

Dete Corre Total Total
Current of sponding for last
payment payment div. year year
Allied Lon. Props ... 1.57 ... 1.24 1.75 1.4*
Ensign Trust ... 0.7 Jan 24 0.5 0.9 0.7*
Klark-Teknikt 0.7 Jan 24 0.5 0.9 0.7*
Klark-Teknikt 0.7 Jan 24 0.5 0.9 0.7*
Klark-Teknikt 0.

Guinness Peat Group plc has acquired

Forstmann-Leff Associates Inc.

The undersigned introduced the parties and assisted the development of the transaction.



Mason Best International Limited

21 October, 1986

HOW EXPORTS EXPORT OF SKINS/PELIS

smaller shoe leather manufacturer. Spencer Leather, for

£300,000. More recently, it has diversi-

More recently, it has diversified its supply route outside the UK, buying Dutch fellmongery business. Lederfabrick Roords B.V.

The result of this policy is a company which spans the entire leather process. It buys from the abattoirs, runs three hide and skin markets, and uses its lamb skins to supply five fellmongeries (four in the UK and one in Holland), where the wool is taken off and the skins preserved.

The resulting "pickled pelts" go partly to supply in-house tan-neries, hut are also sold on to customers both at home and abroed. (Like all fellmongers, it also trades on the wool pro-

Within the group, there are seven tanneries—and again their husiness is widespread. The pelts are tanned into nappa and suede for clothing products nally based in London's Bermondsey.

Garnar Booth traces back to James Garnar, greet-grandfather of tha company's current chairman, Sir Kenneth Newton.

Likewise, Mr Richard Strong

Strong: "We are now totally versatile—we lead the fashion changes."

Be that as it may, neither empany's recent profits record company's recent profits record exactly sparkles. Garnar has turned in pre-tax profits of £3.2m, £4.7m and then £2.5m £3.2m, £4.7m and then £2.5m in the past three years to January 1. In the first half of 1986-87—blaming unhelpful exchange rates, a strike at New Zealand abattoirs and Chernobyl restrictions—it made a £52£,000 loss.

Strong & Fisher—in the years to end-June—has produced £2.8m, £4.2m and £4.5m respectively.

So why the bid? Mr Strong makes no secret of his wish to increase the company's supply of top-quality pelts. The group's sheepskins are sourced mainly from the south and from Wales.

Garnar Booth has links primarily with the northern and Scottish absticits. Since top-

Scottish abattoirs. Since top-grade clothing leathers can only be manufactured from British steep—they get less scarred on Welsh and Scottish hills the obvious routes are acquisi-tion or competition.

Clearly, given transportation costs and the facts that skins before being fell-mongered last only a short time, the former

managing director of Strong & Fisher, can point for e great-grandfather as founder and nostalgically remember gazing st piles of pelts in Hays Wharf as e child.

Faced with the rising pressure of external competition, Garnar Booth has broadened its interests. For example, when plunging raw hide prices produced hefty stock losses in 1980, Garnar responded by e £2.4m merger,—early in 1981 — with Booth. (International), and shortly afterwards bought a membossed leather. Saye Mr is e preferred option.

Monopoly arguments have been invoked on two grounds. First, it is argued that a merged group would buy a substantial chunk of lambskins produced by the British abattors. The total till in 1985 to activate the control of th

from the abattoirs.
What neither side disputes is that around one-third of the

wooled skins available go ebroad - principally to Spanish customers.

That would leave a merged group accounting for over one third of the total market but

third of the total market but a much higher proportion of the domestically sold kill.

Although many of the abattoirs are owned by the larger groups—like the quoted Hillsdown Holding — there is fear that small abattoirs could

Mr Strong denies that he would -- or could -- exercise much market power, given overseas buyers. Garnar Booth says it would be an irresistible temptation encouraging the abattoirs to coldshoulder UK buyers in preference for over-seas customers in the longer-

At the hide and skin market stage, Garnar's interests are sufficiently small to produce little change in market power. But secondly, once the pickled pelts have emerged from the fell-mongers there is concern that other UK tanners could find their supply — currently partly provided by Garnar —

squeezed.

The third potential aspect of The third potential aspect of the hid—and the one which worries the union involved, the National Union of Footwear, Leether and Allied Trades—is that Strong & Fisher has little interest in Garnar's non-cloth-ing leather interests. In its submission to the OFT, the union estimates that some 700 jobs—in a company which currently employs 1,500—could be et

Although he does not deny thet rationalisation might fol-low e successful hid, Mr Strong dismisses the figures as "" dismisses the figures as "no-thing like that—besides it would be no more than Garnar

is doing anyway."
"Whatever happens," says Mr
Strong, "the British leather
industry will never be the

Thet is one point on which the two sides might agree. If the hid gets e monopolies green light, a third (smaller) quoted company, Pittard, is rumoured as a "white knight" for Garnar; it too has voiced worries to the OFT. If halted, Richard Strong is unlikely to give up on his quest for lambskin

And with Hillsdown already rimoured to have eyed both companies, the eventual rami-fications could stretch even further afield.

THECITY AFTERTHE FINANCIAL SERVICES

LONDON

3 & 4 NOVEMBER, 1986

A C T

FINANCIAL TIMES **Financial Times** Conference Organisation Minister House, Arthur Stre London EC4R 9AX. Alternatively, telephone 01-821 1355 telex 27347 FTCONF Q fax 01-823 8814

Educational

OAKHAM SCHOOL

-Independent co-educational **Boarding and Day**

SCHOLARSHIPS

Academic Music Art **FULL FEE AWARDS** and part fee awards 13+ Sixth Form Runther details from: The Registrar (FT), Children School Dapel Close, Celdram, Rutland LEIS 60T Company Notices

IU INTERNATIONAL CAPITAL CORPORATION N.V. US\$85,000,000 RETRACTABLE FLOATING RATE NOTES DUE 1862 NOTICE 13 HEREBY GIVEN that for the Interest Period commencing 29th October 1986, the Notes will bear interest at the rate of 6%% per annum. The interest payable on 29th January 1987 sgainst Coupon No. 8 will be US\$167.70833 per UE\$10,000 Note.

Art Galleries

Agent Cank, Orion Royal Bank Ltd

SPONSORED SECURITIES Price Change div.(p) % Actual taxed

Granville & Company Limited 8 Lovat Lane, London EC3R 8BP Telephone 01-621 1212 Member of FIMBRA

Granville Davies Coleman Limited 27 Lovat Lane, London EC3R 8DT Telephone 01-621 1212

What Goldman Sachs brings to a British equities discussion.

Trading
U.K. equities
and ADRs.

Member of the London Stock Exchange.

Researching the U.K. economy.

Providing research on U.K. companies.

Sponsoring the FT-Actuaries World Indices.™

Handling block and program trading for U.K. institutions.

Providing specialised investment services for pension funds.

Big Bang is the sound of change. Not the least being the ways British shares are bought and sold.

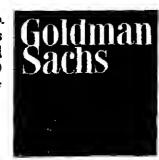
We have a long history of providing investors with highquality sales, trading and research coverage. Through our new member firm on the London Stock Exchange, we look forward to offering more of our skills in London.

Indeed, we've already started. We're at home with the new dual capacity system because that's how we've operated for years. All of our skills, all under one roof, all working together to serve our clients.

We've been serving British business in London for nearly 20 years. Shouldn't we be discussing British equities with you?

*Jointly compiled by the Financial Times, Goldman, Sachs & Co. and Wood Mackenzie & Co. Ltd. in conjunction with the Institute of Actuaries and the Faculty of Actuaries.

Goldman Sachs International Corp. and Goldman Sachs Equity Securities (U.K.), Limited (Member of The Stock Exchange) 5 Old Bailey, London EC4



London New York Tokyo Zurich Hong Kong



International City Holdings PLC

Preliminary results for year ended 31st July 1986

- Pre-tax profits up by 24% to £13.1 million from £10.6 million
- Earnings per share up by 9% to 27.3p from 24.6p
- Increased market share in all core businesses
- MKI acquisition: excellent three month contribution
- Heavy investment for future growth in profits
- Excellent current trading
- Final dividend of 6p recommended making 9p for the year

Chairman Robin Packshaw commented:

"I am delighted in our first year as a quoted company, to be able to report a good group performance. All our activities are well placed to take advantage of the substantial investment laid out by the Group for future profits.

So far this year Group performance has been excellent. We should see growth in our money and securities broking operations, with a full twelve month contribution from MKI and nine months from our new IDB operation."

If you would like a copy of the Annual Report after it is posted to shareholders on 21st November 1986, please write to: The Company Secretary, International City Holdings PLC, 34-40 Ludgate Hill, London EC4M 7JT.

A/S EKSPORTFINANS

(Forretningsbankenes Finansierings- og Eksportkredittinstitutt)

U.S. \$400,000,000

Euro-Commercial Paper Programme

arranged by MORGAN GUARANTY LTD

Dealers

Morgan Stanley International

Issuing and Paying Agent

MANUFACTURERS HANOVER LIMITED

This announcement appears as a matter of record only.

U.S. \$100,000,000

Great American Credit Services, Inc.

Great American First Savings Bank

These securities are not registered under the Securities Act of 1933 and may not be offered or sold in, or

to Notionals or residents of the United States. This announcement appears as a matter of record only.

CREDIT SUISSE FIRST BOSTON LIMITED

MERRILL LYNCH CAPITAL MARKETS

September, 1956

Klark-Teknik downturn accelerates in second half

world.
During the year (to July 31
1986) additional expenditure on
expansion of the research and
development department was
incurred which the directors
said was vital to the future
growth of the group.

Tax at 36.5 per cent accounted for £331,000 (£618,000 at 43.7 per cent) but there were no minority debits (£26,000).

THE DOWNTURN in profits were confident about the future. on a downward trend since their experienced by Klark-Teknik at Progress was being made with the six months' stage a view to further strategic accelerated in the second half acquisitions.

Earlier this year the group the USM group saw its pre-tax figures fall by 36 per cent to cates, an unquoted company in the same line of business, in a downward trend since their peak of 150p in April last year and yesterday's figures knocked another 7 off the price to leave them at 66p. The dollar/sterile steriling exchange rate was to the same line of business, in a downward trend since their peak of 150p in April last year and yesterday's figures knocked another 7 off the price to leave them at 66p. The dollar/sterile steriling exchange rate was to the same line of business, in a downward trend since their peak of 150p in April last year and yesterday's figures knocked another 7 off the price to leave them at 66p. The dollar/sterile steriling exchange rate was to the same line of business, in a downward trend since their peak of 150p in April last year and yesterday's figures knocked another 7 off the price to leave them at 66p. The dollar/sterile sterile steri figures fall by 36 per cent to £907,000.

The directors said the sethack was primarily caused by the weakness of the US dollar and because no new products were introduced during the year—the group manufactures professional sound equipment. They pointed out that although the weakness of the dollar did not materially affect unit sales in North America it did make US products more competitive in the rest of the world.

During the year (to July 31 1936) additional expenditure on expansion of the research and shares deal. It also spending took another £80,000, acquired a further 24.9 per cent of Klark-Teknik Electronics, attributable to the lack of new products such as the digital reverberator which did so much for the 1984-85 performance. Turnover for the past year for the 1984-85 performance. Best hopes for the current year rest on the introduction of Klark-Teknik's digital expertise to DDA's sound mixing consoles and the launch of the group's real time analyser, both of which should start to continue there were no minority debits enough to restore the 1985-earn-ings level after a try charge of the shortfall was downturn and extra R & D spending took another £80,000, but the rest of the shortfall was attributable to the lack of new products such as the digital reverberator which did so much for the 1984-85 performance. Best hopes for the current year rest on the introduction of Klark-Teknik's digital expertise to DDA's sound mixing consoles and the launch of the group's real time analyser, both of which should start to continue the rest of the shortfall was attributable to the lack of new products such as the digital reverberator which did so much for the 1984-85 performance. Best hopes for the current year rest on the introduction of Klark-Teknik's digital expertise to DDA's sound mixing consoles and the launch of the group's real time analyser, both of which should start to console at the rest of the shortfall was attributable to the lack of new products such as tiributable to the lack of new products such as th 1986) additional expenditure on expansion of the research and development department was incurred which the directors said was vital to the future growth of the group.

The current year had started well and the directors

Sumrie returns to profit after five years of losses

day reported its first pre-tax down management team.

The company has clo for five years.

In the 26 weeks to September 26, Sumrie made a trading profit of £51,000 (compared with a loss of £105,000) on a turnover up £185,000 at £1.5m. Interest paid was £26,000 (£32,000), producing pre tax profits of £25,000 (loss of £137,000).

Mr Mervyn Spungin, a member of Sumrie's two-man board, said yesterday that the company had been operating well within the \$250,000 over-

man and chief executive of the Sumrie's shares closed up 5p men's suit manufacturer, Mr at 36p following the interim

BY RICHARD TOMKINS

The rest were placed at e premium with institutional investors by the underwriters, County Securities, but after expenses there will be no profits for the original allottees.

Leisuretime Intl. rights

Leisuretime International, the hotels and holidays group which announced a one-for-three rights issue et 80p in September, reported yesterday that 51 per cent of the shares on offer had been taken up.

Of Worldwide Dryers, its new acquisition.

Worldwide Dryers is a leading UK supplier of warm alr hand-drying equipment on per cent of the shares on offer that been taken up.

issue attracts 51%

Sumrie Clothes, the Leeds textile company run by Mr finance director and Mr Hepker Michael Hepker, the controver- has assumed this and several other functions in the slimmed other functions in the slimmed.

The company has closed its Goldthorpe factory with the loss of ehout 90 jobs. Redundancy payments arising from this have been taken as an £84,000 extraordinary charge. As Sumrie had accumulated tax losses, no tax was paid and the loss attributable to shareholders was £86,000 (loss

of £137,000).

Before the extraordinary charge, earnings per share of 1p (e loss of 5.48p) were made. No interim dividand is to be

well within the £350,000 overdraft ceiling granted by Barclays. Reviews of this facility
by the bank had now been
extended to three months from
one, be added.

Sumrie was still making use
of the £245,000 facility provided
by a company closely associated
with Mr Hepker, who is chairway and chief executive of the

Sumrie's shares closed up 50

acquisition.

Worldwide Dryers is a leading UK supplier of warm air hand-drying equipment on rental contracts, which Leisure-

time bas ecquired to improve the predictability and reduce the seasonality of its earnings. However, Worldwide lost £440,000 in the year to October

1985. Leisuretime said the acquisi-

Phoenix Timber meeting aims

company.

In his first AGM since becoming chairman, Mr Quinn said the group had been relieved of

THE targets set by Phoenix Timber at the end of March were heing echieved, Mr Peter Quinn, the chairman, told yesterday's annual meeting, A financial package to rescue the then struggling company was recently put together by merchant bankers Morgan Grenfell. The package had the support of Investors in Industry, the venture capital group which had £4m invested in the timber company.

most of the burden of borrow ings as foreseen in a recent circular. Mr Quinn warned, however, that the group remained vulnershad the group now had a strong balance sheet and a sound foundation for future development.

Although interim results weather on the building trade. He added: "We are continuing to dispose of surplus properties and assets, and the group now had interest rates and the effects of unduly adverse weather on the building trade. He added: "We are continuing to dispose of surplus counts were showing a satisfactory trend which, if main tained, would enable the board to recommend a final dividend from these actions in future a sound foundation for future development.

Although interim results would not be available until December, management eccunts were showing a satisfactory trend which, if maintained, would enable the board to recommend a final dividend for the year to March 31 1987 months."

effects of unduly adverse weather on the building trade. He added: "We are continuing to dispose of surplus properties and assets, and condensing our head office into a smaller suite et Phoenix to recommend a final dividend from these actions in future months."

Kennedy Brookes remains bullish with good sales

Kennedy Brookes, the hotel and passed and the Christmas trade restaurant group which has would probably be substantially been the subject of persistent ebove last year's.

bed speculation, yesterday put out a bullish statement about its results for the year ending on Friday.

Mr Michael Golder, the chairman, said good sales had been man, said good sales had been and wine bar chain, for £7.7m.

man, said good sales had been reported in recent weeks in all the group's restaurants and that there had been exceptionally good results in the resturbished and emended units.

"Bookings, not only for the restaurants but also for the hotels for Christmas parties and conferences, are also well up or last year," Mr Golder said. The severe difficulties encountered in London's Trocadero centre appeared to heve

Ensign Trust

lifts assets

Ensign Trust, an investment trust, lifted net asset value per 25p ordinary share by 19 per cent in the year to September 30 from 59.9p to 27.4p: Total income rose from £7.1m to £7.3m and after tax of £1.1m (£1.4m) carnings per share rose from an adjusted 0.92p to 1.07p.

O.5p from 0.78p.

The final dividend is 0.7p (0.5p adjusted), making a total for the year of 0.9p, up from the previous year's 0.7p.

The directors said the interim dividend for the current year was likely to be 0.3p (0.2p).

dustry.

The company paid £45,000 tax and earnings per share rose to 2.55p after recording a loss of 1.57p last time.

The directors intend to pay an interim of 2p (1.5p) on January 5 1987.

for the original allottees. The rights issue of 3m shares pre-tax profits for the year to has raised about £2.2m which Leisuretime will use to strengthen the financial position. Clayton Son

in the black Clayton, Son & Company (Holdings) turned round a pre-tax loss of £36,987 for the six months to June 30 1985 into a pre-tax profit of £108,066 this time round.

to £7.3m and after tax of £1.1m (£1.4m) earnings per share rose from an adjusted 0.92p. to 1.07p. However, an extraordinary charge of £1.6m (£365,000) comprising a provision for liquidated damages payable to the former managers of the company reduced earnings to 0.5p from 0.78p.

Waverley Cameron in loss Waverley Cameron, the manufacturer of stationery and associated products, fell to a break-even position in the first half of 1986, but after redundancy payments recorded a loss of £55,560. Stationery and the profit to £128 (£26,000). Provision for redundancy was £56,000. As well as restructuring operations to take the pressure off margins, arrangements have been made which will lead to

loss of £55,560.

Steps have been taken to restructure the operations, and it was anticipated that during 1987 the full benefit of the reduction of manufacturing costs and overheads would be reflected in results.

Turnover in the balf year came to £1.56m (£1.42m) and the remission of manufacturing at the Edinburgh factory, although keeping part of it as the registered office.

Offers "well in excess" of the current book value have been received for the rest of the premises.

As well as restructuring operations to take the pressure off margins, arrangements have been made which will lead to termination of manufacturing at the Edinburgh factory, although keeping part of it as the resistant office.

UTC Trading leaps 41%

IN THE six months ended June 30 1836, the UTC Trading Corporation lifted its pre-tax profit by 41 par cent to £184,000 and earnings per share by 58 per cent to 0.79p.

He announced the completion of arrangements with Prudential Assurance to raise £2.5m as e 20-year fixed interest rate mortgage on the freehold office property et Aybrook Street, which was now worth some £200,000 more than book value.

Also, the company was raising £1.66m through major institutional holders. American

Viking Resources net assets fall

Viking Resources Trust, the investment trust, eased the slide companies with high levels of in its net assets per share to 7 per cent in the six months from March 31 1986 to September 30 1986 to report a fall from 54.83p to 51.01p. But in comparison with a year ago, when net assets stood et 92.98p, the fall has been 45 per cent.

With investments in oil and gas companies with high levels of reserves and sound finances was 5 per cent. Since September 30, Viking had committed \$2m to acquiring interests in gas wells in the US.

The directors said that a new strategy of direct investment in producing properties coupled The interim stayed at 0.55.

COMPANY NEWS IN BRIEF

(investment trust): Interim £460,000 (£420,000). Net asset dividend 0.625p for six months ended September 30 1988. Dividend and interest receivable. dend and interest receiveble £172,000. Administration costs £55,000. Income before tax £117,000. Tax 538,000. Results for the six months to end-September 1986 £117,000, Tax £38,000. Eernings per share 0.5p. Net asset value 42p (fully diluted 44p).

ENGLISH AND International ALEXIS LICHINE & CO, the Trust is holding its interim Bordeaux wine trading subdividend at 1p net for the half sidiary of Bass, Britain's bigyear ended October 5 1986, from earnings of 2.14p (1.94p) per majority stake in Cognax Otard share. Gross income was £1.12m for FFr 30m (£3.2m).

and the second of the first of the second of

rose to 5.4p per share. In Setur-day's report the figure was given as falling from 5.16p to

Swire Pacific Limited

By the closing date of 20th October 1986 for the lodgment of election forms in Hong Kong and in London, elections for cash dividends had been received from the holders of 501,653,691 'A' shares and 616,396,714 'B' shares. Accordingly, the following new shares have been allotted to shareholders in respect of the interim dividends for 1986 to be satisfied b the issue of scrip:

new shares issued 2,995,094 23,033,998

of existing shares in issue 0.3772%

Proportion

Certificates for the new 'A' and 'B' shares, together with dividend Certificates for the new 'A' and 'B' shares, together with dividend warrants for the minimum cash dividends of 1.0¢ per 'A' share and 0.2¢ per 'B' share and for the other cash dividends for which elections were received, will be despatched to shareholders on 31st October 1986; The Stock Exchange of Hong Kong Limited has granted permission for the shares to be listed and dealt in from that date.

By order of the Board JOHN SWIRE & SONS (H.K.) LIMITED

Hong Kong

'A' shares 'B' shares

Swire Pacific Limited
The Swire Group Swire House, Hong Kong.



Woodside Financial Services Ltd. (Incorporated in the State of Victorial

U.S. \$300,000,000

GUARANTEED FLOATING RATE NOTES DUE JULY 1997

Unconditionally Gueranteed by Australian Industry **Development Corporation**

In accordance with the Terms and Conditions of the Notes, notice is hereby given that for the interest period from October 28, 1986 to January 28, 1987 the Notes will carry an interest rate of 61/16% per annum. The emount payable on January 28, 1987 will be U.S.\$3,873.26 and U.S.\$154.93 respectively for Notes in denominations of U.S.\$250,000 and U.S.\$10,000. The Chase Manhattan Bank, N.A.,

London, Agent Bank October 28, 1986

CHASE

Eurocommercial Paper Programme

Dealers

Credit Suisse First Boston Limited

First Interstate Capital Markets Limited

Merrill Lynch Capital Markets

A/S EKSPORTFINANS

OCTOBER 1986

Morgan Guaranty Ltd

The Eurocommercial Paper will not be registered under the United States Securities Act of 1933.

eturns, er fife losses

ets 51%

Pacific Lin

A few more faces from Lloyds Merchant Bank Gilts Team.











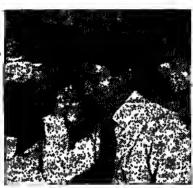








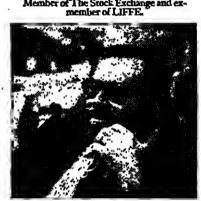


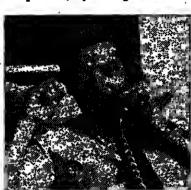






Call us.





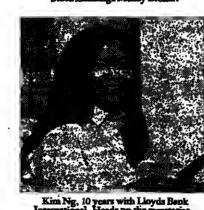














40-66 Queen Victoria Street, London EC4P 4EL Tel: 01-489 1089 Dealing Room



This advertisement has been placed by Lloyds Merchant Bank (Government Bonds) Limited

UK COMPANY NEWS

NatWest Mortgage Rate

With effect from 27th October, 1986 for new borrowers, and from 1st November for existing borrowers, the NatWest Mortgage Rate payable under current Mortgage Deeds and Conditions of Offer will be increased from 11.00% p.a. to 12.25% p.a.

& National Westminster Home Loans Limited

41 Lothbury, London EC2P 2BP.

PRIME and the Prime logo are trademarks of Prime Computer, Inc., Natick, MA.

Allied London profits up 21% to £4m

The directors propose a final £4.92m.

dividend of 1.5725p, compared with an edjusted 1.24p, making first mortgage debenture stock a year's total of 1.75p, against 1.4p. Earnings per share came out at 6.50p (5.55p).

The proceeds of the £15m first mortgage debenture stock was received during the latter part of the financial year and enabled the company to discharge most of the financial year and enabled the company to discharge most of the financial year and enabled the company to discharge most of the £15m

Interest charges rose to 63.48m (£2.38m) and tax was £739,000 (£671,000). There was also an extraordinary debit of £562,000 against 2 previous £562,000 against a previous credit of £656,000.

The company's property portfolio, which comprises 52 per
cent offices, 42 per cent warehouse/industrial and 6 per cent

office space at Elstree. At Dart-

part of the financial year and enabled the company to dis-charge most of its short term borrowings and have available funds and resources for suitable acquisitions.
Central House, located in

Hounslow, was now fully let while detailed planning permis-

ford, adjacent to the M25 is now being developed and work is in hand for the first unit which is pre-let. In the town centre at Dartford construction of at Dartford construction of approximately 9,000 sq ft of office space is well advanced. The company has added to its portfolio at Gerrards Cross a site for 6,000 sq ft of office space. Further lettings have been achieved at Cheltenham Trade Park and a new phase of development will commence will comm

Sterling Homes had another

The snails pace of traffic round the M25 should provide plenty of opportunities for window shopping and thus justify

Allied London Properties, the retail shopping, was revalued property development, investment end house-building group, porated in the accounts. The hossed pre-tax profits for the year ended June 30 1986 by 21 per cent to £4.05m. Last year the company made profits of the company made profits of 28.7 per cent to just under f8m. Trading profits rose by £1m to \$4.000 sq ft and will shortly begin the next phase of some to enable progress to continue. Irritatingly Allied London results for the snalls pace of traffic round acquired. The snalls pace of traffic round the M25 should provide plenty of opportunities for window at \$4.92m. asset value but on estimates of 94p as of June 30 the shares, at 73p, are trading on a 23 percent historic discount to net shopping and thus justify Allied London Properties' commitment to Dartford's town centre and trade parks. The M20 service centre looks interesting given the lack of competing facilities, especially as the land is in the books at agricultural values and therefore surpluses are inevitable. However, at £500,00 or 17½ per cent, the rise in administration costs looks uncomfortably high

E. Upton looking to accelerate improvement

Turnover in the 28 weeks to August 12 1986 went up from £2.22m to £3m, and the trading loss was cut from £41,000 to £37,000. Of those figures, tion caused by integrating the £32,000 and £34,000 respectively related to McKenna and Brown, for 19 weeks from acquisition—it retails audio, visual and photographic equipment and results were in line with seasonal expectations.

The directors said the figures confirmed a stabilisation of the results for the rest of the year would be significantly better than last time. Meanwhile, the directors continued with seasonal expectations.
The directors said the figures confirmed a stabilisation of the trading position for the department stores.

INTERIM FIGURES from E.
Upton and Sons, the North of
England department store
operator, showed that first
quarter results were poor, but
from May onwards the
improving trend had been maintained.
Turnover in the 28 weeks to
August 12 1986 went up from
£2.2m to £3m, and the trading
loss was cut from £41,000 to
£37,000. Of those figures,
£922,000 and £34,000 respectively related to McKenna and

while, the directors continued to seek further expansion of the trading base.

Full listing for SUMIT

in the portfolio covered companies in most regions of the partial with the placing of new ordinary £1 shares on November 19.

SUMIT specialises in providing development capital for investment opportunities have led the board of SUMIT to seek a full listing and to raise new capital with the placing of new ordinary £1 shares on Novem-

ing development capital for management buy-outs and minority equity interests in un-quoted smaller industrial and ority equity interests in im-quoted smaller industrial and commercial companies with above average prospects. It was founded in 1980 by Albert E. that Summit should be more Sharp & Company, the Birming-ham based stockbrokers, and 19

net asset value grew from 100p to 177p per share.

British Assets shows advance

With earnings per share rising from 1.81p to 2.2p in the year ended September 30 1986, the directors of British Assets Trust are lifting the total dividend from an edusted 1.78p to 2.05p net, with a fourth quarterly payment of 0.575p. At September 30, the net asset value had moved ahead from 63.8p to 77.5p per share. In the year total income came to £17.4m, compared with £11.89m. Of that, income from

\$11.39mL Of that, income 1.0m subsidiaries represented £6.44m (£659,000), other dividend in-come £10.12m (£9.76m), and interest received £814,000 (£1.29m).

Expenses were \$4.76m (£1m) of which interest payable accounted for £3.87m (£142,000), and the tax charge was £4.03m (£3.77m).

During the year British Assets made an offer for In-vestors Capital Trust and un-secured loan stock convertible into ordinary shares of GBC Capital was issued as part of the consideration.

British Assets holding in GBC was valued at the lower end of net asset value and the conversion price. Its holding in Investors Capital Trust was valued at net asset value.

WHOLLY-OWNER SUBSIDIARY OF ENGLISHMENT OF

Dean & Bowes ahead midway

The

II. CROSS

Dean & Bowes Group, the refurnisher and refurbisher of licensed premises and leisure centres which came to the USM in May this year and which includes Courage and Mecca Leisure among its reported pretax profits up from £202,000 to £261,000 in the six months to June 30 1986.

Group turnover increased by 20 per cent from £1.1m last time to £1.3m.

After increased tax of £101,000 (£89,000), earnings per share worked through at 2.7p (2p). The interim is 1p.

Camco purchase

Cameo, US-based supplier of gas lifting equipment and safety systems to the energy industry and a 65.4 per cent sub-sidiary of Pearson, has acquired the nitrogen and coll tubing assets of Nowsco Services, e wholly-owned subsidiary of Big Three Industries, for \$5.4m (£3.84m).

BOARD MEETINGS

nternational, Hille Ergonom, Marks and de: Critich Cer Auctions, Chester Jepen Assets Trust, National Loans, Wolseley.

FUTURE DATES	
BET Craig and Rose Epicure Hanting Group Res Brothere Finales	Nov. 20 Oct. 31 Oct. 29 Oct. 31 Oct. 31
Amber Dey Sositon (William)	Oct. 29 Oct. 31 Oct. 30

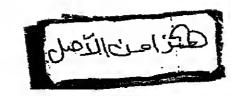
HARTONS GROUP P.L.C.

of £1 each at par

Rights issue of 5,434,375 7 per cent.

Convertible Cumulative Redeemable Preference shares payable in full on acceptance not later than 3.00 p.m. 17th November, 1986 The Council of The Stock Exchange has admitted the above mentioned shares to the Official List Particulars of the Convertible Preference shares are · available in the new issue cards circulated by Extel Statistical Services and copies of the Listing Particulars and the latest annual report and accounts of the Company may be obtained during normal business hours on any weekday (excluding Saturdays and public holidays) up to and including 11th November, 1986 from: Hartons Group PL.C.
Registered Office:
Beamet: Street, Long Eaton, Nottingham NG10 4HL arclays de Zoete Wedd Limited Ebbgate House, 2 Swan Lane, London EC4R 3TS Close Registrara Limited 36 Great St Helens, London EC3A 6AP de Zoeie & Bevan Ebbgate House, 2 Swan Lane, Foster & Braithwaite London EC4R 3TS London EC2N 2BU and until 30th October 1986 for collection only from: The Company Announcements Office The Stock Exchange, London EC2P 2BT 28th October, 1986

To pull ahead in today's financial services race, your departments have to pull together. The financial services race is more competitive than ever. Clients expect more. The market has more to offer. And every day, it seems someone new enters the race. To keep your head above water and get ahead, your departments have to work more efficiently and pull together. Otherwise they could be working at cross-purposes and wind up dead in the water. At Prime, we know that everyone in any given department is basically in the same boat. That's why we developed the ideal solution - departmental computing. Departmental computing connects the compatible PCs in your department into one integrated network. A . synchronized network that lets everyone share information, research, and database solutions. And a flexible network that helps the people in one department communicate efficiently with other departments and even With a powerful Prime® superminicomputer, you won't have to wait when your mainframe is swamped. You can have immediate access to all your information because it. can be easily stored in a Prime departmental system. And when it's time to expand, you won't be left high and dry. Prime hardware and software have been especially designed to adapt to your changing needs. All components are interchangeable and flexible so the system can grow with you. Butthen, you'd expect all this from a company that offers total solutions and worldwide support. Contact Prime at: Prime Computer UK, Ltd., Primos House, 2-4 Lampton Rd., Hounslaw, Middlesex TW3 1JW, England, 572-7400. Prime Europe, Middle East. Africa. The Hounslow Centre, 1 Lampton Rd., Hounslow, Middlesex TW3 1JB, England, 570-8555. Departmental computing from Prime. Because pulling ahead in the financial services race takes a stroke of genius. It's time you knew.



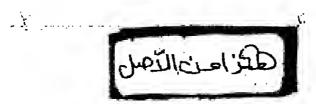
to the

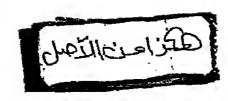
SUMII

bean & i head mi

ioi ppi

Financial Times Tuesday October 28 1986 LONDON RECENT ISSUES EQUITIES Financial Times Tuesday October 28 1986 Cooling to or net Insections F.E.	AUTHORISED FT UNIT TRI	UST INFORMATION SERVICE	35 Scottish Wildowy Fund Management PP Rev 902, Edinburgh 61916 5889 033-648 3724 PP Rev 902, Edinburgh 61916 5889 033-648 3724 PP Lotte 1 208 1 208 3 -22 1 14 PP Lotte 1 208 1 208 3 -1 1 1 16 PP Lotte Att 1 1615 1187 -1 4 5 53 PP Lotte Att 1 1608 1 1879 -1 4 5 53 PP Lotte Att 1 1608 1 1879 40 7 1 11 PP Lotte Att 1 1608 1 1879 40 7 1 11 PP Lotte Att 1 1608 1 1879 40 7 1 12 PP Lotte Att 1 1608 1 1879 40 7 1 12 PP Lotte Att 1 1608 1 12 4 2 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
Price	Adder Country Court Court Server Server Server Server Land Court C	20.5 20.5 4.13 0.1 10.6 20.15 20	Sentimer Funds Hingmark Ltd 000 30 City Road, Lovans CCIV 2AV 01-438 6011 122 123 124 124 125 12
100 50 14/11 102 305 520 158 306 48/105 1798 48/105 13.1 48/105 106 1798 57.2 179 166 49/105 1798 18/10 18	Construction Cons	Lecal Authorities Mayanal Impact. Tat. Special Recovery Data 1982 Compact Value	10 10 10 10 10 10 10 10
Stock Price Paid Price	Wheter Gerich Fd. Inc. 12.5 12.	Company Comp	1.37 Same Life Treat Negerit. Ltd 1.37 1.01 1.00
Tamed by treater. If Offered holders of entimery stores as a "rightes." If it introduction, we formed by unity of capitalismin. § Principa price. §§ Reintroduced. It is consection with recognism to anyone or interior. If Official Landon fixing. ‡ Including warrants entitlement. Société Nationale des Chemins de Fer Français £75,000,000 Guaranteed Floating Rate Notes 1993 (recleemable at the holder's option in 1990) unconditionally guaranteed, as to payment of principal and interest, by	### Statements Landon ECIR 661. ### Statements Landon ECIR 662. ### According from 771.5 771.5 463.5 253.5 463.5 253.5 263.5	France 10 10 10 10 10 10 10 1	122 TSE BYE GROWN
In accordance with the provisions of the Notes, police is thereby given that, for the three mopuls period, 24th October, 1986 to 26th January, 1987, the Notes will bear interest at the rate of 11% per cent, per summ. Coupon No. 13 will therefore be psyable at the rate of \$148-89 per compone from 26th January, 1987. S.G. Warburg & Co. Ltd. Agent Bank F.T. CROSSWORD PUZZLE No. 6,162	Descriptor Uniform Life(A)(C)(g) Descriptor Life(A)(C)(g) Descriptor Life(A)(C)(g) Descriptor Life(A)(C)(g) Descriptor Life(A)(G)(g) Descriptor Life(A)(G)(g) Descriptor Life(A)(G)(g)(g)(g)(g)(g)(g)(g)(g)(g)(g)(g)(g)(g)	10 10 10 10 10 10 10 10	100 100
1 2 3 4 5 4 7 8 9 10 12 13 14 15 16 17 18 19 18 18 19 18 19 18 18 19 18 18 19 18 18 19 18 19 18 18 19 18 18 19 18 18 19 18 18 19 18 18 18 19 18 18 18 19 18 18 19 18 18 19 18 18 19 18 18 19 18 18 19 18 18 18 18 19 18 18 18 18 18 19 18 18 18 18 19	Counts is in: 1st Auren. PLJ 10.0 12.0	Track Household	TR. James Genetics Will St. Act Chr. Tr. True True
ACEOSS 1 Entertainers appreciated by painters (9) 6 Discharged if found turning colour (5) 9 Make outline of part of harness (5) 10 Nobleman correct about level abilization for raphicles 1	Court Cour	April Apri	### C172 Communication 1253 1165 170
legal obligation for vehicle owners (4,5) 11 Be fully sensible of rise in value (10) 12 Letter from Greek sailor recalling about Lawrence (4) 14 Roll includes one blusterer (7) 15 Thin portion of cheese on toast? (7) 17 Provided food for animal- deer, perhaps (7) 18 It may be put on by harsh employer (7) 29 Holy book found by journal- ist in Virginia (4) 22 Declare animal took food at all times (10) 25 Check clergy seat is put back in office (8) 26 He composed some subtle	Co. April The Committee The Print of Edition The April The Print of Edition The Committee The Co	## ECEP 2417 CL-596 2721 Life property Life Life property Life Life property Lif	1.00 Advisors: Henderson Crostmante & Co.
he composed some states harmonies (5) 27 Trim lady's gown (5) 28 Bread-rolls others put out for bird (9) 1 Literary rule-book got up with skill by America (5) 2 Paper forced into scheme to select same man again (9) 3 Rue perhaps following senior pupil into French department (10)	Antens Nels (12.23 194.2 194.3 194.2 194.3 194.2 194.3 194.2 194.3 194.2 194.3 194.2 194.3	10 10 10 10 10 10 10 10	1





Financial Times Tuesday October 28 1986 INSURANCE, OVERSEAS & MONEY FUNDS 8534 2747A MANAGEMENT SERVICES

Bards at Aarna (Personal Fin. Plays) Ltd

Wrollington No. Million Bryon Weburg 0522, 2(2004)

D. Aarva they Torp tot. 162/A 176.9 - 0.3

D. Aarva they Torp tot. 162/A 176.9 - 0.3

Referred to the tot. 162/A 176.9 - 0.3

Referred to the tot. 162/A 176.9 - 0.3

As they to the tot. 162/A 176.9 - 0.3

As tot. 162/A 176.9 - 0.3

Clause sie Very havestweents 1.6d 2894 Hill St. Si letter, Jersey | List |
28954 Hill St. Si letter, Jersey | List |
28954 Hill St. Si letter, Jersey | List |
28954 Hill St. Si letter, Jersey | List |
28954 Hill St. Si letter, Jersey | List |
28954 Hill St. Si letter, Jersey | List |
28954 Hill St. Si letter, Jersey | List |
28954 Hill St. Si letter, Jersey | List |
28954 Hill St. Si letter, Jersey | List |
28954 Hill St. Si letter, Jersey | List |
28954 Hill St. Si letter, Jersey | List |
28954 Hill St. Si letter, Jersey | List |
28954 Hill St. Si letter, Jersey | List |
28954 Hill St. Si letter, Jersey | List |
28954 Hill St. Si letter, Jersey | List |
28954 Hill St. Si letter, Jersey | List |
28954 Hill St. Si letter, Jersey | List |
28954 Hill St. Si letter, Jersey | List |
28954 Hill St. Si letter, Jersey | List |
28954 Hill St. Si letter, Jersey | List |
28954 Hill St. Si letter, Jersey | List |
28954 Hill St. Si letter, Jersey | List |
28954 Hill St. Si letter, Jersey | List |
28954 Hill St. Si letter, Jersey | List |
28954 Hill St. Si letter, Jersey | List |
28954 Hill St. Si letter, Jersey | List |
28954 Hill St. Si letter, Jersey | List |
28954 Hill St. Si letter, Jersey | List |
28954 Hill St. Si letter, Jersey | List |
28954 Hill St. Si letter, Jersey | List |
28954 Hill St. Si letter, Jersey | List |
28954 Hill St. Si letter, Jersey | List |
28954 Hill St. Si letter, Jersey | List |
28954 Hill St. Si letter, Jersey | List |
28954 Hill St. Si letter, Jersey | List |
28954 Hill St. Si letter, Jersey | List |
28954 Hill St. Si letter, Jersey | List |
28954 Hill St. Si letter, Jersey | List |
28954 Hill St. Si letter, Jersey | List |
28954 Hill St. Si letter, Jersey | List |
28954 Hill St. Si letter, Jersey | List |
28954 Hill St. Si letter, Jersey | List |
28954 Hill St. Si letter, Jersey | List |
28954 Hill St. Si letter, Jersey | List |
28954 Hill St. Si letter, Jersey | List |
28954 Hill St. Si letter, Jersey | List |
28955 Hill St. Si letter, Jersey | List |
28955 Hill St. Si letter, Jersey | List |
28955 Hill St. Si letter, Jerse 040364347 Chase de Vere Investmes
Gi Lincoles ins Peda, Louise I
Peristic step Service 1944
FPS Blampement Ltd. Universities | 1 | Paternanter Raw, Lundon ECA | 03-2e8 4500 | Superur Patel | 15128 | 15-75 | 0.56 | Ears Gabal for Fd | 1602.15 | 62-25 | 0.57 | Second | Company | Compa Po Box 330, 33 Nation June 1998 | 9 to | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.0 Sen Life of Cameda (UK) Ltd 2, 3, 4 Codinger St, SW1Y 58H 01-990 5400 Trust Funds 1658 45500 1657 +03 --1977 +03 --1977 +03 --1978 -03 --| Name Lournige & Parkines Ltd | Name Lournige & Parkines Ltd | Name Lournige & Parkines Ltd | Name Lournige Stdr. Sect. | Name Lournige Stdr. Sect. | Name Lournige Stdr. Sect. | Name Lourning Stdr. | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | 10.2 | Peat, Earth, Acc. 3293 136-3 4444
94-103 Landen Rd, Seventails
Earth 223-25 243-55
Fixed int 227-77
Intel Linked 227-78
Intel | Color | Colo ### Stranghand Management Limited
7 Library Place, Strebe, Jarry
| 10 Juny 1 June | 10 = OFFSHORE AND | Transmitter | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 | 1975 |

PLATINUM 50 troy oz. \$/troy oz

LIVE CATTLE 40,000 lb, cents/lb

COMMODITIES AND AGRICULTURE

Britain prepares fresh protest over 'lamb war'

tween the two countries over trade in lamb, following moves by the French customs authorities to step up inspection of British lamb shipments.

Since the end of last week, in s move spparently sanctioned by the Pris Government, customs officers at French ports beve been subjecting consignments of British lamb to intensified inspection procedures, involving the unloading of virtually every carcase shipped.

British officials say that while there is pothing illegal shout the new checks in themselves, they oppear to be discriminat-ing specifically against British tamb and have bed the effect of considerably slowing down

"This is obviously intended to frustrate the normal flow of trade," Said one official. "The concept of normal and rational

London said it was still evaluating the situation but would probably protest again to Paris shortly.

The latest move follows persistent berrassment of lorries carrying British lamb in France in recent weeks, and repeated calls from Whitehall for tougher setion by the French authorities to keep the trade channels open. It underlines the perpetual troubles of the sheepmest sector, which is supposed to be regulated by a complex compromise deal complex compromise deal worked out by Britain and France—the two higgest producers within the EEC—after the "lamb war" of the early

French sheep farmers are suffering from a sharp fall in lamb prices on the French market and from stiff competi-

BRITAIN WAS last night pre-paring a fresh protest to France in the eimmering dispute be-

Earlier this month, the EEC agread to provide subsidies for storage to bold lamb off the market in France, but this appears to have had little effect. The customs movo is being interpreted in Psris as in attempt to protect sheep farmers without resorting to direct subsidies.

One other possible option for the French authorities is to press for the extension of crosshorder taxes known as monetary compensatory amounts to British lamb exports. These are applied to most other British farm exports to compensate for exchange rate distortions. However, the French Government would probably not want to extend the system to lamb, since it is theoretically commerket and from stiff competition by their British counteration of MCAs.

Indonesia urges tin producers to intervene in markets

Energy Minister, Dr Sobroto, urged leading tin-producing countries yesterday to intervene in international markets to raise prices and stop sub-sidising Western consumer nations, reports Reuter from

He told e meeting of the Association of Tin Producing Countries (ATPC) that urgent action was needed to help the world tin market recover

Tin prices are half what they were when a price support operation by the International Tin Council (ITC) collapsed a year ago, leaving the market with large surplus stocks.

"Now that the ITC has been virtually inoperative, the tin industry has been left with the ATPC to turn to for inter-



Dr Subroto, Indonesia's Mines

the ATPC to turn to for international intervention aimed at restoring normality in the market." Mr Subroto said at the opening of the two-day meeting.

The market words and at the end of a grains of representative talks. the opening of the two-day ponded to the tin crisis in very meeting,

John Murray-Brown adds: of a series of preparatory talks

from agreed on bow to tackle the problems of low prices and high stocks.

Indonesia, for example, is bucking the international trend by increasing production. This year, it says, its output is set to rise from 22,000 tonnes to

27,000.

By contrast, as a result of the halving of tin prices, world production is expected to fall from around 160,000 tonnes last year to less than 130,000.

Malaysia has been particularly hard hit, with output forecast to fall this year to 23,000 tonnes from 40,000 tonnes last and and the number of operating mines decreasing from 400 to 170.

Traders agree, bowever, that the overriding influence on prices remains the stocks held by the International Tin Council's creditors and pro-ducers. Although these have dropped by about one-third this year, about 75,000 tonnes remains to be absorbed by the

Coking coal 'to remain depressed'

BY MAURICE SAMUELSON

hit hy technical changes in the methods of fuelling blast-furnoces, such as the injection of pulverised coal and anthracite.

The largest producer is Japan). Markets and Prices to the Year At the same time, producers 2000, two vols., 389 pages would be able to lower their (Commodities Research Unit, 31, pulverised coal and anthracite.

THE CHANGE in farmers stitutes over the past year could hardly be more marked. Last year's harvest was difficult and lighter than 1984's, quality was

ngner than 1964 s, quanty was poor and the prices far from good, even for sale into inter-vention stores. Milk production was below quota and it was generally a miserable time.

Farmers' morale was not helped by the threats from the EEC or even lower prices, cor-responsibility levies and the like—to which Mr Michael Jop-

making — will stay depressed for another 10 years, says a report on likely trends in the metallurgical coal market between now and the end of the century.

The two parts of the world.

The coal market but the coking coal trade would be deeply affected by sharp discoal should rise from the growth rates of the world.

The coal market but the coking coal trade would be deeply affected by sharp discoal should rise from tonnes by 2000.

There would be a similar two discoal parts to the consumption of the world.

century.

The two-volume study, published by the London-based Commodities Research Unit, adds that even when coking coal demand revives again it will not keep pace with expansion in the steel market, because of improving fuel-efficiency.

It foresees incessant pressure on high cost and marginal producers to lower costs and warms that some producers will not survive, bowever much they spend on boosting efficiency.

ferences in the growth rates of 24.9m tonnes in 1953 to 35.2m tonnes by 2000.

There would be a similar trend in Japan, where consumption of bome produced coal would fall from 4m tonnes in 1985 to 1m tonnes in 2000.

In Brazil, where steel output would rise from 20.5m tonnes a year by 2000).

But it would grow by only would rise hy 3.9 per cent a year to reach 18.3m tonnes in 2000.

Metallurgical Coal, Costs, and 1.0 per cent in Asia (where steel by 2000).

Metallurgical Coal, Costs, Zinc

survive, bowever much they spend on boosting efficiency. Coking coal sales would also be hit by technical changes in the largest producer is Japan).

America, 0.7 per cent in Europe 2000.

Metallurgical Coal, Costs, Markets and Prices to the Year hit by technical changes in the At the same time, producers 2000, two vols., 389 pages 1000.

quality of the bread whest varieties has not been enough

More reasons to be cheerful

FARMER'S VIEWPOINT

First the British climate produced a wonderfuly grassy summer and dairy farmers found that they had no difficulty in exceeding the ouota. And they did not euffer for it immediately —retribution lo the shape of a levy on overproduction will lave to wait until next April is interesting that milling the following the corner, The fall in land they farmers ground the structure of their supplies this season. This, point of view.

Pig and poultry farmers, who the wit of man, or at least of those men who manage the CAP. But farmers cannot rely on that soldier on without rekief from those men who manage the CAP. But farmers cannot rely on that soldier on without rekief from those men who manage the CAP. But farmers cannot rely on that eituation lasting for ever. Something will have to give, as it always does in the end in buman determinant in the market. It until next April is interesting that milling the corner, The fall in land the participants.

By John Cherrington

Grain growers had been anticipating a miserable harvest with an anxiety which mounted

low

London

gold hits

6-week

THE GOLD price closed in London yesterday at its lowest level since September 11, following its sharp fall towards the end of last week.

Yesterday's close of \$409.75 per troy ounce compared with Friday's final London quotation of \$411. However, the market was steady in a narrow range for most of the day and dealers said the immediate selling appeared to have evaporated.

In New York, the Comex gold futures market rose in early trading on the back of o mine-workers' strike of three mines owned hy Gold Fields of Sonth Africa, with the December con-Arrica, with the December con-tract touching early highs around \$414 an ounce. After slipping back to \$408.50, a rally left the contract at \$410.30.

Last week's fall was widely attributed to currency factors, reflecting the dollar's sudden rebound. However, a number of analysis expect the recent bout of weakness, following gold's rise to about \$440 earlier this month, to continue. Some said yesterday that they would not rule out a move to test the psychologically-important level psychologically-important level of \$400 in the near future.

Some analysts said the fall in price also resulted from hedging on Comex by dealers and distributors in the US who bad taken up o large proportion of last week's US Eagle gold coin issue. This, they said, created narvousness in the market that any further rally would be dampened by beavy selling.

At the same time, some traders have begun to question the assumption about a possible resurgence of inflation which had contributed to the summer rally in the gold price.

Nevertheless, the general prognosis is for renewed price gains in the medium term. Few analysts believs the latest signs of strength in the dollar will continue, and cantion prevails about the course of equity and bond markets in coming weeks.

In addition, many dealers are taking comfort from the funda-mentals in gold, including the buge demand for coins like the Eagle and the Hirohito com-memorative issue in Japan. Interest in the latter has been strong enough to prompt the Japanese anthorities to plan a second minting of 5m coins next spring, requiring another 100 tonnes of bullion. The US enthusiasm shows no

sign of waning either. Yester-day, the Scoate passed a bill authorising the issue of Im gold coins and 10m silver coins next year to celebrate the 200th anniversary of the ratification

LONDON METAL EXCHANGE WAREHOUSE STOCKS (Changes during week ending last Friday) (tonnes)

(0

out and there is not quite so much on the market. This may indicate that the hanks are no

longer pressing for repay-ment. To give the banks their

due, however, there is not yet much evidence that they have

been particularly tough with neir customers.
Only the machinery suppliers

only the mechinery suppliers do not seem to he sharing in this optimism. Seles of tractors and other expensive implements are not showing much buoyancy. This is the result of the abolition of the initial allowances by the present Chancellor.

+3,375 to 125,725 +3,825 to 170,625	High grado	Close (p.n E por	
- 1,075 to 33,725 - 168 to 8,172	Cash 6 months	623-4 618-8.5	+4.6 +0.70
— 380 to 43,565 — 350 to 21,725 sunces)	(615-7), t		o 612.5-

GOLD

Krg'r'nd... 8408-411 is Krig.... \$P04-816 is Krig.... \$108-110 178 Krig.... \$441-471s Mapiolest \$4811s 4841 Angel..... \$417-482 178 Angel \$212-220 New Sov... \$973-99 Old Sov... \$973-99 820 Esglo \$480-530 Noblo Pist \$690-600

SILVER Autilion + or L.M.E. + or per Fixing troy oz Price Unoffici LME-Temover: 6 (1) lots of

SOYABEAN MEAL

sterd 'ys + or Business close - dono

LONDON **MARKETS**

LONDON ROBUSTA coffee futures prices rose yesterday for the fifth successive trading day, the January position's £20 advance taking the aggregate gain to £199.50 a tonne. Nearby positions had fallen by nearly £50 a tonne in the morning in response planning to sell some of its recent purchases. Dealer: spoke of negotiations between Brazil and Indonesia which

they said could mean the ement of coffee bought in Europe to supplement Brazil's own drought-reduced crop. But concern about possible Brazilian sales was shrugged off in the afternoon as the market's bullish sentiment re-established itself. On the London Metal itself. On the London Metal Exchange lead continued its recent strength in the morning, aided by weak sterling and news of a fall in LME warehouse stocks of the metal. But the rise was not followed through and at £317.50 a tonne the closing each price was little changed from the 17-month peak reached in after-hours trading on Friday.

on Friday.

LME prices supplied by Amalgamated Metal Trading.

ALUMINIUM

l		ciosa (p.	M.) — m.) — r tonne	High/Lo
l	Cash 6 months	814-6 830-0,6	-5 -1,25	815/814 931/826
ı	Official (819-9.5), (830.5-1), Finol Ker Turnove	three		830-0

COPPE	R		
Grade A	Unoffic'i	<u>+</u> or	High/Low
Cash 6 montho	661,5-2.5 965,5-7	-0.6	994/99P 968/956
Official cic (931-1.5), th 5.5), settler Kerb close:	sing (am)): Cas ha 95	h 933.5-4.5 8.5-9 (955- 1.5), Fieel
Standard	000.10	Las	919/909

Official closing (em): Cash \$12-3 (910-2), throe menths \$39-40 (935-5), acttlement 913 (912). US Producer prices \$63,5-65,5 cents per lb., Total tumover: 17,950 tennes.

	alosa (p	r tonne	High/Low
Cash 5 monti	317-9 15 314-5	+9 +0.75	617,312,6
(314-4.5 (311,6-2 Kerb ck Tumo), three), settlem	month ent 317 (3 tonnes.	ash 316.5-7 s 312-2.5 14.5). Fiscol US Spot:
NICH	(EL		

	Unofficial + or close (p.m.) - £ per tonne	High/Low
Cash 5 months	2550-60 -7.5 8613-5 +1.5	8690/2811
(2,550-2), (2,602-4), Final Kerb	ocinp (em): Cost three months settlement 2,560 close: 2,612-15, : 605 tonnes.	2,611-2

ZINC

High grado	close (p	or tome	High/Lov
Cash 6 months	688-4 618-8.5	+4.6 +0.7	696/622 5 620/618
(615-7), the settlement close: 516-	623.5 17. 18,225	the 612.5 (617). tonnss.	us Prime

-100,000 to 25,148,000

Gold fell \$1½ to \$409½.410 or London buillon market yeaterday, opened at \$410½.411½, unchanged ir Fádoy's close, underginned atrikes at South African gold min The metal was fixed at \$403.00 in morning and \$408.75 in the afternotosing pround on the day, as the dolors are the dolors at the dolors are the dolors are the dolors at the dolors are the dolors at the dolors are the dolo
GOLD DULLION (fine ourses) Oct. P
Close \$4091-410 (£2901-29) Opening \$4103-4114 (£2814-29)

SILVER

seponsibility levies and ske—to which Mr Michael Jopling, the British Agriculture with an anxiety which mounted minister, had sided his own contribution. In fact, Mr Jopling kept telling us that once he took over the chair of the EEC Farm Ministers' Council in July 1986 a real effort would be made to cut the costs of the common agricultural nolicy (CAP). On behalf of the European Commission Mr Frans Andriessen, the Farm Commissioner, had made similar threats.

In the event both these

In the event both these

anticipating s miserable narves, with nounted with every day which houted with an anxiety which mounted with every day which love ally grown supplies. But there has been a lot of second-grade masterial.

Of the so-called break crops of size of the so-called break crops of the cost of an implement in off the cost of an imp Silver was fixed 8.25p an ounce higher for aport delivery in the London builton merket yearendsy at 400.35p. UB cent equivalents of the fixing lovels

In the event both these prophets of doom were shown to be paper tigers. Cereals were, it is true, attacked with a 3 per cent corresponsibility level and 1 per cent came off the milk quota. The mores worried farmers who were already concerned about the long winter and late spring.

But then, for reasons which bed nothing to do with politics, things improved beyond befief. First the British climate produced a wonderfuly grassy sum
set for intervention.

There is a lesson bere. One of the causes of higher grain prices was the drought in much of Southern Europe, and bad and sheep producers have not had as good a year.

Beef and sheep producers have not had as good a year.

Nevertheless, prices of young fundamentals are much as they were a year ago. The world bas still a massive surplus of all southern for reasons which bed nothing to do with politics, things improved beyond befief. First the British climate produced a wonderfuly grassy sum-Prices remained firm on the nearby positions with good commercial buying against option hedge selling, reports Mulipace.

	£		
	per tonse	i	
000	188,5-188,6	+0.46	155.6-157
Feb,	156,0 155,5	+0.35	_
indA	156,9-157,0	+ 0.60	ı –
Jüeo		+0,56	134,6
August	162,2-165.5	+0.10	
October	188,0-188,5	-0,26	_
Dec	154.0-139,0	+0.50	_
		• • • • •	
Salaa: 509	(260) lots	of 20	tonese.
	,		

SUGAR

POTATOES

| Month | Yesterday's | Previous | Business | done | done

GRAINS

				_
WHEAT	r		BAR	LEY
Mnth	esterday's close	+ or	Yest'rdy's Close	+ _o
Nov Jan Mar July Sep Nov	116.36 118,25 101,75	+0.75 +0.70 +0.90 +1.06 +0.76	112.75 114.90 115.65	+0.15 +0.40 +0.66 -0.16
0.30, 3.80, N and N 100 to Jan 1	Jan 111.9 Asy 118.25 ov ustradennes. Ber 113.00-2.90 Same and	5-1.50, -5.80, J ed. Sei tey: No , Mar	March 1 uly 118.25 les: 834 l ov 11040- ch 118.0	14.30- Sept ots of 10.00, 0-4.75,

200 lots of 100 tonses.

LORDON GRAINS—Wheat: US dark northern spring No. 1 15 per cent Nov 105.00, Dec 105.75. US No. 2 coft red winter Nov 111.00. Dec 112.75. French 11½-12 per cent Oct 132.50. English leed lob Nov 113.50, Jan/Merch 117.50, April/June 120.00 peld eart coast, Nov 114.00, Dec 118.00, Jan/Merch 118.00, April/June 120.00 sellers asst coest. Makes: US No. 3 yellow/French transhipment east coest Oct 144.50, Barley: Enplish feed lob Nov 115.00-116.00 buyer/sellers. Jan/Merch 118.00 buyer

RUBBER

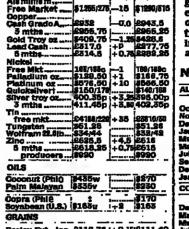
MEAT

MEAT COMMISSION—Average lot-stock prices at representative markets. 68—Cattle 93.10p per kg kw (-0.33), 68—Sheep 134.12p per kg eat dcw (+7.96), GB—Pige 79.34p per kg kw (+1.96), RJTURES—Pige: Feb 67.50, asise 2. Pigmest: Nov 1 12.00, selee 2.

US MARKETS

PRECIOUS METALS traded in a narrow range and man-aged to hold Friday's closing levels despite particular weakness in the oil sector and a dollar which has been and a dollar which has been gathering a mementum of its own each time it broke through a resistance point, reports Heinold. Most of coffee's volume of trade was seen on the opening, as the market opened sharply lower. on a fall in London prices. Continuing dryness in Brazil and some concern whether Colombia can ship as much coffee as it planned in December is supporting prices from further downside moves, and the market gained substantial ground late in the session to close on the highs. Most other markets were lightly traded and primarily

NEW YORK



INDICES

REUTERS

DOW JONES

Oct. 24Oct. 25M'th ago Year ago

1586.0 1576.9 1546.5 1711.5

Dow Oct Oct Mith Year Jones 24 23 ago ago

Spot 121.45 121.72 - | 117.05 Fut 120.58 120.88 - | 115.69 (Base: December 31 1931 = 100)

MAIN PRICE CHANGES

‡ Unquoted, † per 75 fb Bosk, c Cents pound. * Cotton outlook, y Nov-Dec, Oct-Nov. v Dec, x Jan-Feb. z Dec-

COFFEE

Sales: 14,004 (13,010) Formula (15,010) Formula (15,010)

ange end ight secon octed in o	were confine closed slight od hend resti ctuals but ov star, reports	ty high set acti erall c	er, Some . vity was onditions	
COCOA	Yesterday's close	+ or	Business Done	
COCOA	£ per tonne	-	DOING .	
March	1615-1616 1551-1558 1574-1575 1095-1697	+3.0 +3.5 +4.5	1618-1510 1566-1548 1576-1568 1688-1581 1617-1812	

Soles: 895 (1,805) lots of 10 tonnes. (CCO indicator prices (US cents per pound). Only price for October 27: E3.12 (83.26); five-day sverage for October 28: 93.37 (83.65).

Sales: 358 (492) lots of 40 tonnes.

HGCA—Locational ex-farm spot prices. Feed beriey: Eastern 107.00, E. Mido. 108.70, N. East 110.90, Scotlend 107.00. The UK monstery coefficient for the week beginning Monday November 3 (based on HOCA cat. culations using 4 days' eschange rates) is expected to be unchanged.

PHYSICALS — The London merket opened about eachoaged, attracted vary little Interest throughout the day and closed galet and eaglected, reports Lawis and Pest. Closing prices (buyers): Spot 67.50p (67.00p): Daz 68.50p (68.00p); Jan 66.75p, The Kusla Lumper Iob prices (Maleyslan cents a kilo): RS6 No. 1 231.5 (esmo) and SMR 20 206.5 (206.0).
FUTURES—Indes 678, Nov 670-880, Dec 670-880, Jan/March 680-690, April/Juse 690-700, July/Sept 692-704. Seles: Nil.

14.70

14.50

Yest'rdy's Previous Business close doso

FREIGHT FUTURES

| Close | High/Low | Prev.

| Close |High/Low| Prev.

950 = -

782 763 802/800 718 718 716 716/726 830/826 790/840 810/840 784.5

Dry Cargo

Oct. 780/786.6 Jan. 768/762 April 792/602 715/717 Oct. 618/629 Jan. 810/623 Apr. 010/940 July 510/623 Apr. 610/640 510/650 BFI. 766

Turnover: 39 (72).

Oct. 770/830 Nov. 940/970 Dec. 920/965 Mar. 930/965 June 940/965 STL 791

High Low 15.86 15.26 16.26 15.38 18.26 16.85 15.85 16.86 16.50 15.92 16.50 16.90 18.30 15.86 16.30 16.00

LONDON DAILY PRICE—Raw supor \$141.00 (£100.00), down \$1.00 (unchonged) a tonne for November-December delivery, White ouger \$160.00, down \$1.00. Crude oil prices weekened in thirteding. December WTI opened 27c down on Nymex end traded 44c down by 1.30 pm EST. Is the petroleum products merkot gae oil extended lost week's price drop on condused prompt oversupply. Felling futures prices added to the bearion soto following disappointments at last week's Orac

disappointments at meeting—Petroloum	Argue, Lon	o Q don
: .	Latest	Çha T o
CRUDE OIL-FOB (#	per burrel)-	Nov
Arab Heavy	_	1
Brent Blend W.T.J. (1pm est)	16.50-16.60	_
Forcadez (Niceria) Urais (cif NWE)		=

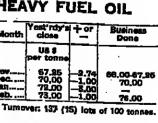
Sales: 2,430 (967) lots of 50 tones. Tato & Lyle dolivery price for granulated trails augar was £202.50 (£203.50) a tonne for export. International Sugar Agreement—(US cents per pound 10b and stowed Caribbaan ports.) Prices for October 24; Daily pros 8,71 (5.73); 15-day average 5.40 (5.24).

PARIS—(FFr per tones): Dec 1201-1200, March 1246-1247, May 1268-1233, Aug 1220-1326, Oct 1351-1359, Dec 1385-1399. ► 0 acamber

GAS OIL FUTURES

The merket was dull and thinly traded, awaiting Irash news from the physical market, mports Clarkson Wolf. Yest'rdy's + or Susiness Close — Dono Uo \$ Tumover: 3,752 (1,768) lots of

HEAVY FUEL OIL



LEADED GASOLINE

COTTON

Them were 25,197 packages on offer at the London tes auction, including 400 packages in the offshore section. A strong depresent in the offshore section. A strong depresent provided. Assem CTCs continued to meet kees competition, particularly brighter types which often geined 4-80. Bangladsah tees remoined a strong feature and coloury lines put on 5-10p. Brighter mediums and best liquuring East Africans came in for increased support and fraquently advanced by 4-80—with the remoinder firm. Control Africans were irregular and plainer serts tended easier. Caylons sold medily at firm to design rates, spars from brokens which spain met selective equiry. Offshors tess received good cupport of firm to design received good cupport of firm to desider mass. Quotations: quality 198p a kg (135p) medium 182p o kg (180p); low medium 138p a kg (133p). LIVERPOOL—Spot oad shipment sales for the week commencing October 20 omousted to 364 tonnsa. Slew trading brought desirings in incluse, Ruedics and West African

. €A 1, 25.

STATE OF

THEY MAF

K rat

Nov...... 168,50 -8,50 pac...... 148,00 -Feb 148.00 -

Turnover: 0 (0) lots of 100 tonnes.

A year ago the current account surplus was DM 3.9bs, and the trade surplus DM 7.4bs. The dollar closed at DM 2.0445, against DM 2.0320 previously.

IM 2.0320 previously.

JAPANESE VEN—Trading range against the dellar in 1996 is 202.76 to 152.25. September average 154.67. Exchange rate index 209.7 against 201.6 six menths age.

The yen was little changed from its Friday close in Tokyo yesterday, with the dollar falling back from the day's peak of around Y162. It finished at Y161.10, compared with Y161 on Friday. Late trading was dominated by profit taking and stop loss selling, after the dollar had failed to move towards Y162.50. Lack of follow-through bying by institutional investors in US bonds led to selling of the dollar by securities houses, to hedge currency risks on holdings of foreign bonds. A rise of 2.6 per cent in September

+1.06 +1.01 -0.58 -0.21 -0.29 +0.64 -1.97

D-MARK—Trading range against the dellar in 1996 is 2.4710 to 1.9740. September average 2.6486. Exchange rate index 141.5 against 138.1 six months ago.

The D-Mark continued to weaken against the dollar in Frankfurt, and the West German-Bundesbank did not intervene when the dollar was fixed at DM 2.0378, compared with

DM 20239 on Friday. There was houses, to hedge currency risks on holdings of foreign bonds. A rise the West German current account surplus in September widened to DM 6.8b from a revised DM 4.1bm in Angus. The trade amplus of DM 10.4bn, compared with DM 8.1bn, was only just short of the record DM 10.8bn set in July.

43.2905 7.84506 2.08496 6.81419 2.35587 0.764914 1442.76

POUND SPOT-FORWARD AGAINST THE POUND

1.4065-1.4073 1.9520-1.9530 3.25-3.26 59.70-59.80 10.83-10.84 10.83-10.89 210.05-210.90 191.90-1912 19190-1912 1919-1912 1913-9.83 225-22612 20.23-20.26

DOLLAR SPOT-FORWARD AGAINST THE DOLLAR

1.4065-1.4075 1.3330-1.3340 1.3330-1.3340 2.3130-2.3140 42.40-42.50 7.691-7.704 2.0460-2.0470 1.504-1.502 1.36.70-1.36.80 1.414-1.4254

24935-1-4150 1.9505-1.9570 3.234-3.25 91.45-59-80 10.774-10.84 1.0504-1.055 2.864-2.859 209.00-211.00 191.35-19-220-1979-1992 10.464-9.415-9.794-9.859 2.255-2.205-2011-20.26

\$\frac{1}{14003-14150}\$
1.3030-1.3980\$
1.3855-1.3881
2.2865-2.3060
42.00-42.50
7.62-7.704
2.0220-2.0500
1.494-1502
135.60-136.83
1.400-1416
7.7241-7.8512
8.62-6.694
6.946-990

EURO-CURRENCY INTEREST RATES

94-10 57-6 74-84 57-52 2-3 4-4-8 7-7-7 9-10-2 7-7-2 4-4-4 51-64

EXCHANGE CROSS RATES

0.489 1 6.226 12.74

C 5 0.512 0.721 1.675 115.7 4.829 B Fr. 1.674 2.355 4.820 378.2 15.75

H FL 0.307 0.432 0.885 55.43 2.871 0.732 Lina 0.502 0.707 1.447 113.5 4.726 11.97

Yen per 1,000: French Fr per 10: Lira per 1,000: Belg Fr per 100.

Deutschmirk -Fr. Franc -Italian Lire -B. Fr. (Fin.) -B. Fr. (Con.) --

from central rate +0.41 +0.36 -0.86 -0.94 +0.01 -2.31

0.59-0.56c pm 0.45-0.35c pm

0.45-0.35c pm
15-13c pm
22-17c pm
14-5-pm
14-5-pm
14-5-pm
15-13c pm
50-110c dis
12-29c dis
20c pm-1 dis
24-24c pm
24-13c pm
10-85-pm pm
10-85-pm pm
15-13c pm

THE DOLLAR remained firm on the foreign exchanges yesterday, but economic data suggested the currency's continued appreciation was in doubt. No US statistics were published, and the next big test for the dollar is not likely to be until Thurday, when the September US trade figures are published.

Yesterday's West German trade resignation of Mr Jeffrey Archer, deputy chairman of the Conservative Party caused a little early nervousness, but Big Bang in the City appeared to make no impact on the pound. Sterling fall 60 points to \$1.4065-1.4075, and declined to Y226 from Y226, but rose to DM 288 from DM 287; to FF19.41 from FF19.3850; and to SF12.3825 from SF12.3650.

day, when the September US trade figures are published.
Yesterday's West German trade figures for the same month were very buoyant, and at DM 10.4hn were only just short of a record surplus, suggesting that the depreciation of the tollar over the last year has not yet fed through to affect trade balances. Stockbroker, James Capel, has forecast a US trade deficit of \$15.5hn, but US investment bankers, Morgan Stanley, expects a deficit little different from the \$13.3hn shortfall in Angust. The result is likely to dictate whether the dollar holds on to its recent gains, and the market will also look at US leading indicators on Friday to provide direction, although these are forecast to be roughly flat.

The dollar advanced to DM 2.0455 from DM 2.0520, to FFT 6.6075 from FFT 6.625; to SFT 1.6025 from SFT 1.6730; but fell to Y160.70 from Y161.35.

On Bank of England figures the ollar's index was unchanged at EMS EUROPEAN CURRENCY UNIT RATES

STERLING—Trading range against the dollar in 1986 is 1.5355 to 1.2700. September average 1.4711. Exchange rate index fall 0.1 to 67.8, compared with 76.4 six menths age.
Sterling lost ground to the dol-lar and the yen, but improved against major Continental curren-cies, including the D-Mark. The

STERLING INDEX

Oct. 27 Previous

67.7 67.7 67.7 67.7 67.7 67.6 67.8 67.7 67.8 am am am am am peri peri peri

68.2 68.3 68.1 67.8 67.8 67.7 68.0 67.9 CURRENCY RATES Special Drawing Rights Chartescy (Init. See See See

7.98386 93.370 ,8.90941 3.63.300 ,8.32999 2.03.788 165.053)WA

Morgan Guaranty Diames 7 -25.4 +3.6 -12.6 +8.9 +5.9 +2.0 +19.1 +20.9 +12.6 -12.7 -15.8 +55.3

OTHER CURRENCIES

enthority bills and £59m of eligible hand virtually no impact what soever. Three-month interbank money was quoted at 11.2-11.2 per cent compared with 11.2-11.4 per cent while the one-year rate was machanged at 11.2-11.4 per cent. Overnight money touched a high of UK clearing bank base leading rate 11 per cent since October 15

UK clearing bank base leading rate 11 per cent since October 15

The Bank of England forecast a shortage of around £50m with factors affecting the market including maturing assistance and a takeup of Treasury bills together draining 5570m. These were partly offset by Exchequer transactions which

FINANCIAL FUTURES

Late rally boosts gilt prices

GILT PRICES finished at the day's highs in the London International Financial Futures Exchange yesterday as dealers overceme initial cantion to the new dealing system in the Stock Exchange. The December gilt price opened at 109-14 down from 100.24 on Friday mainly in reaction to starling's weaker start against the dollar and also weakness in the US bond market. A low of 109-04 was touched before a steedier pound and a better tone in US bonds prompted renewed interest.

This in turn generated a good deal of short covering in the last few hours and the December contract closed at its best level of the day at 110-07. However dealers were a little wary since the mood of the market

| Calis | Lest | Nov. | Dec. | Jan. | Mar. | O.40 | 10.40 | 0.40 | 0.40 | 0.40 | 5.56 | 5.50 | 1.35 | 1.255 | 2.40 | 13.00 | 0.35 | 1.25 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.45 | 1.4

M-YEAR 12% HOTIONAL CILY 50,000 32ms of 180%

Dec 96-10 96-06 95.50 March 96-10 96-06 95.50 March 96-10 96-06 95.50 Previous day's open let. 951 CL,300

Dec. 88.67 88.70 86.58
March 89.07 89.28 89.35
June 89.36 89.44 89.35
Sept. 89.36 89.42 89.15
Dec. 89.11 89.15 89.15
Dec. 89.11 89.15 89.15
Dec. 89.15 86.50 86.90
Est Volume 3.136 (5.368)
Previous day's topes led. 13,564 (13,586)

Dec. 94.01 94.01 93.96 March 93.94 93.69 93.89 93.69 93.85 93.75 93.85 92.45 93.86 92.45 93.87 92.45 93.88 92.67 92.45 92.98 92.45 92.88 9

Close High Low 96-02 96-03 95-12 94-07 95-07 94-19 94-07 steel Volume 4,120 G-82-0

CURRENCY FUTURES

Cinse High Low Prev. 199.80 161.00 259.30 159.50 162.80 — 162.50

High Low pres. 94.01 93.95 94.01 93.94 93.65 93.45 93.85 93.45 93.07 92.67

THREE-MONTHS STERLING £500,000 points of 100%

5.10 8.11 -2.52 0.54 -1.32 -1.00 -10.04 -5.57 -4.75 -1.51 -1.247 -1.05 -1.05 -1.05 -1.05

4.90 8.54 -2.46 2.63 -1.13 -2.75 1.44 -9.64 -6.25 -4.68 -8.45 -1.76 -2.40

0.527 1.130 691.3 0.678 20.75 10.54 24.40 8810 8.639 264.4

1 1635 1000

E S DM YEN F.Ft. B.Fr. H.FL Lina CS B.Fr. 1 0.711 1 2.860 226.0 9.410 2.383 3.255 1991 1.953 59.75 0.711 1 2.047 160.6 6.88 1.695 2.313 1415 1.388 42.47

1.495 3.061 240.2 10 2.532 3.499 2116 0.991 1.209 94.86 3.930 1 1.366 835.7

1807 | 1908 | 1807 | 1808 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 | 1809 |

Pets—Lest Dec. Jan. Mar. 0.06 0.34 1.20 0.51 1.27 2.72 2.20 3.35 5.12 5.62 6.70 8.54 10.18 11.80 12.62 15.11 — 17.18 20.10 — 21.99

CHICAGO

89-1B

CARLES OF A

a high nt 96-03 before closing at 80-22.

Short sterling contracts traded in a hirly narrow range influenced once again by th performance of sterling. There was little incentive derived from o static cash market and after opening at 88.60. the December contract closed at 88.67 compared with 88.62 on Friday.

Trading in the FT-SE sector was

Trading in the FT-SE sector was reasonably active considering the early technical problems, with the December contract rising to 150.80 from 159.50.

140

Jan. Mar. 6.25 6.55 2.90 3.60 1.15 1.80 -- 0.50 -- 0.30 -- 1.50

Ame Si 0.90 0.71 0.54 0.39 0.27 0.18 0.11

Litiest High 237.30 238.40 238.20 239.30 239.106 239.90 0 0

Dec. March Jeur Sept.

VALUE OF £ STERLING

CURRENCY OPTIONS September 1986 — FOREXIA the Currency Option Advisory and Trading Service made 24 publicly recorded recommendations to clients of which 17 were profitable producing +986% and 7 were unprofitable producing -418% — on belence a profit of +468%. For a print out of the recommendations and for details of the FOREXIA Currency Options Service contact: FOREXIA (UK) LTD 46 Limeraton St London SW10 9HH FOREXIA 01-351 0350 Telex 268048—Prestal 88130

39

35% AVERAGE PER YEAR 1973-1986 Write or call: Edwin Hargitt & Co. S.A. sie 10, Suite 28, CH-1003 Land

FINANCIAL TIMES PUBLISHED IN LONDON . FRANKFURT . NEW YORK

INTERNATIONAL & BRITISH EDITORIAL, ABVERTISEMENT

Advertising and Circumster Telen. CL6.198. Tel. 1669-73900.

Batteria Effortial, Advertising and Circumster 15 due to Contrier CH-1201 Geneva. Effortial Telen. 122399. Tel: 1023-314 242. Advertising and Chroniculus Telen. 22399. Tel: 023-314 242. Advertising and Chroniculus Telen. 2399. Tel. 1023-311 604. Iting Many: Effortial Telen. Cont., Harbor Cloy, Kondoon. Telen. 57900 FTHIND 1911. 160. Telen. 1021. Advertising 802 For East Exchange Building. B. Wyndhum Street House, House. Telen. 60405 Whates. Tel: 5-266-84315. Selectamentary Efficient Tool Union Quality Whates. Tel: 5-266-84315. Selectamentary Efficient Tool Union Quality Whates. Tel: 5-266-84315.

Landau Advertising Permanent House. The Headernal, Lenis 1.51. BDF. Tel: 05:32-454569.

Landau Advertising Permanent House. The Headernal, Lenis 1.51. BDF. Tel: 05:32-454569.

EWORLD VALUE OF THE POUND

We have the wife that we have

The table below gives the latest available rate of exchange for the pound against various currencies on October 27, 1986. In some cases rate is nominal. Market rates are the average of buying and selling rates except where they are shown to be otherwise. In some cases market rates have been calculated from those of foreign currencies to which they are tied.

tation available; (F) free rate; (F) hased on U.S. deline parities and going starling-deliar rates; (T) teorist rate; (Ras) basic rate; arcial rate; (ch) couvertible rate; (to) financial rate; (arc) exchange cartificate rate; (nc) non-connectal rate; (nom) nominal; (e) efficial rate; (eg) selling rate; (c) controlled rate.

CURRENCY

COUNTRY

COUNTRY

	Albania	Afghani	99.00	Gisates	Cedi	207.20	Purema.	Baltan	1.4070
_ 1	Albenia	Lek	9.90	Gibraltar	Gibrafter &	10	Papez New Galace	Kina	1.3758
_	Algeria	Dinar	6.52	Greece	Drachma	194,405			(337.48 0.0)
_	Andorra	∫Freach Franc	9.43	Greenland	Danish Krone	10.8350	Paragoay	GUAR BUT	(865.30 C)
		LSpenish Peseta	192.05	Grenada	E. Caritibena S	4.22		1eti	exe(A)19.62
_	Angola	Kennta	43.193	Guadaloupe	Local Franc	9.41	Philippines	Philloche Paso	28.35
	Antigisa	E. Caribbean S	3.80	GERTH		1.4070		(E Sterling	
-	Argentina	Austral	1.5550	Guarepula	Quetzal	£1.4070	Pitcaira Islands	New Zealand S	2.7710
	Aroba	Florin	2.5326			(F) 3.834	Poland	Zioty	284.40
	Alistralia	Australian S	2.1940	Guinea	Franc	478.53	Portugal	Escucio	210,473
2	Austria	Schilling	20.18	Culora-Ristan	Peso	239.95	Puerto Rico	U.S. S	1.4070
2 1	Azores	Portuguese Escudo	210.48	Ginera	Goyanese S	5.6420			
<u>-</u>				1			Quitht	Qutart Ryal	5.1345
	Balagras	Bahama \$	1.4070	Halti	Gourde	7.0350	Resolve Isle de la	French Franc	9.41
-	DENTIN	Dinar	0.5315	Hondurad	Lamples	2.83	Romanie	Leu	(Cata) N.A.
٠.	Balcaric Islamis	Spanish Pesete	192.05	Hong Kong	H.K. S	20.9620			(N/C) 15.06
ξ :	Brogladesh	Taica.	41.90	Hougery	Forist.	6.155 (17)	Retenda	Rwanda Franc	120.93
5	Barbedos	Barbedot \$	2.83	1-t-d	leeknole Krone		Ci Chalatachan	C Audhbar C	
	Belglans	Belglatt Franc	(cm) 59.75	lectand	SEREMIC Krone	57.A3	St. Christopher	E Caribbean S St. Heleva £	3.80
_			(in) 60.05	India	Indian Rupee	18.20	St. Helena	St. Meletra 1	1.0
_	Belize	BS	2.814		Ropinh Klai	2314.35	St. Locia	E. Cartisbeant \$	3.80
_	Denis	C.F.A. Franc	470.50		ROM Private	108.50	St. Pleme	Local Franc	9.41
- 1	Bernada	Bermudian S	1.4070	Irish Republic	Iraqi Dinar	0.4396	St. Vincent	E. Caribbean \$	3.80
	Blatter	Nouttrem	18.20	Irish Republic	Punt	1.0535	Samoa American	U.S. \$	1.4070
1	Bolivia	Bolivian Pess	(0)2,691,140.0	Israel	Shekel	2.10	San Marino	Italian Lira	1,991.0
ı	Botswarts	Pula	2.65	italy	Lira	1991.0	São Tomé & Principe	Dobras	52.32
57	Brazil	Cruzado	19.78 (20)	Ivory Coast	C.F.A. Franc	470.50	Saudi Arabia	Saudi Ryul	5.2753
78	British Virgin Islands _	U.S. S	1.4070	Januarica	Jamaican Dollar	8.80	Senegui	C.F.A. Franc	470.50
24	Bristel	Brussi S	3.0745		Yen	556.00	Seychelles	S. Rupee	8.45
26	Balgaria	Lav	1.3411	Jepan	Jordanian Dinar		Sierra Leone	Labour	(a) 43.00
44	Burkho Fare	C.F.A. Franc	470.50			0.4875	Solomon Islands	Singapore \$	3.0745
34	Burros	Krmt	10.75	Kampuchea	Rief	WA	Spionton Islands	Soloman (s. \$	2.6290
~~	Burued	Butundi Franc	174.0	Капуа	Kenyis Shililing	22.60	Sontali Republic	Somali Shiffing	50.65
			2. 100	KINDED	Australian S	2.1940	South Africa	Rand	(Cm)3.2096
-	Carreroed	C.F.A. Franc	470.50	Koren (North)	Wan	1.3226			((Fa) 7.3160
-	Catavia	Carraction S	1.9538	Korea (South)	Won	1235.81	طجع	Pesets	192.05
==	Carriery Islands	Special Peseta	192.05	Kerwalt	Kuwaiti Dinar	0.4123	Spanish ports to		
i	Cape Verde (stands	Cape V. Escudo	125,603	1			North Africa	Peseta	192.05
	Caymen Islands	Cayman Islas, S	1.1745	1.805	New Kip	49.245	Sri Lanion	S.L. Rupee	39.90
- 1	Cent. Afr. Republic	C.F.A. Franc	470.50	Lebarion	Lebanese £	69.17	Sudan Republic	Swian £	3.5175
	Chart	C.F.A. Franc	470.50	Lesotho	Maluti	3.2096	Sories	B. Guilder	2.5115
		Chilean Peso	276.19	Liberta	Liberian \$	1.4070	Swaziland	Ulangeni*	3.2096
	Chica	Renminbl Years	5.2594	Libys	Libyan Diner	0.4446	Sweden	Swedish Krana	9.8375
1	Colombia	Col. Page	299.B4		Swiss Franc	2.3825	Switzertand	Swiss Franc	2.3825
	Comoro Islands	C.F.A. Franc	470.50	Lencembourg	Levernbourg Franc	59.75	Syria	Swian £	(A) (T) 9.0
_	Congo (Brazavilla)	C.F.A. France	470.50	Marco	Petses	11.4345	37.7	٠,٠	(cm) 5.522\$
	Costa Rica	Colon	(U) B1.28	Madelra	Portuguese Escude	210.48	Tulunan	New Talwan \$	51.444
- 1	Cobs	Cuban Peto	1.1295	Majagusy Republic	M.G. Franc	1080.0	Taiwas	Tan. Baillion	
_	Cyprus	Cyprus £	0.7320	Majawi	Kwacha		Theiland	Baht	64.25 36.75
		-35	(Icom) 8.46	Majayah	Ringgit.	2.79	Togo Republic	C.F.A. Franc	470.50
_	Czectioslovalda	Konsta	m/c 14.81	Nakilve islands	Ruftyra	3.6938 9.849		Palanga	2.1940
			LCD 14.44	Mail Republic	C.F.A. Frenc	470.50	Trinidad & Tobago	7rinidad & Tob. S	5.0652
and .	Sec. 1.			Maita	Maitme £		Transon or 100mgs	Tueisian Distr	3.0032
ay.	Delstrark	Danistr Kroner	10.8350	Martinique	Local Franc	0.5340	Tupisia	Turkish Lina	1.2336 (sg)
de	Dilbouti Republic of	Dilbouti Franc	245.0	Mauritania	Outputy a	9.41	Turkey	U.S. S	1007.42
	Dominica	E. Caribbean S	3.80	Mauritius	Mauritian Rupes	105.28 18.43	Tuvalu	Anstralian S	1.4070 2.1940
	Commission responses —	Doctitican Peso	4.2225 (7)			((F) 1143.18	107214		
- 1	_		(6) 206.32 (38)	Mexico	Mexican Peso		Uganda	Uganda Stilling	2000-0 (15)
	Ecuador	State	(F) 202.60	Mignelon	Local Franc	lc 1107.98	United States	U.S. S	1_4070
-	_		(0.9849	Montes	French Frenc	9.41	Ursguey	Uruguay Pero	234.26
	Egypt	Egyptian £	(T) 1.96			9.41	United Arab Emirates.	U.A.E. Dirtiam	5.167
	El Salvador	Colon			Tugrik	4.7212	USSR	Rouble	0.9606
_	Equatorial Grinea		7.35 · 470.50	Montserrat	E. Caribbean \$	3.80	Varuatio	Vatu	143.50
•	Ethiopia	C.F.A. Franc		Morecco	Dirigina	12.15 (99)	Vatican	italian Lira	1991.0
		Ethiopian Bier	2911	Могетрісья	Meticat	(A) 56-07	1994-1 MINISTER	TOURS LIKE	
*	Falkland Islands	Falkiand Isles £	2.0	Namible	S.A. Rand	3.2096	Manageda	Ball	(4) 6.05
	Farce islands	Dentst Kroser	20.8350	Nauru Islands	Australian S	2.1940	Venezaela	Boliver	(5) 10.55
	FIB Islands	FUI S	1.6402	Nepal	Nepalese Rupee	28.85	Makena	D	(6) 32.50
- 1	Finland	Maridia	6.9915	Netherlands	Cullibra .	3.2550	Vietnaro	Dong	(a) 16.47
	France	Franc	9.41	Netherland Antilles	Antillan College	2.5326	Attalii izitata n'e'	U.S. \$	1.4070
- 1	French C'ty in Africa	C.F.A. Franc	470.50	Nata 703(56)	H7 C	2771	Western Samoa	Tata	(A) 3.1607
	French Colon			Alcarages	Profes (F				
. 1	French Culary	Local Franc	9.41	Niger Republic	Cordoba	(6) N/A	Yemen (North)	Ryat	(A) 14.78 (sg)
0	French Pacific Islands .	C.F.P. Frame	167.0	wide inchance was	C.F.A. Franc	470.50	Yemen (South)	S. Yearen Dinar	0.4628
. 1	Gabon	C.F.A. Franc	470.50	MIGRIE	Naira	(a) 5.8671 (34)	Yugestavia	New Y. Dinar	584.08
1	Garobia	Daizei	11.25	Notway	Morwegies Krone	10.4825			-
-1		Ostmark	2.86	Oman Suftanate of	Rial Oward	0.5425	Zairė Republic	Zaire	93.34
ID:		Deutsche Mark	2.88	Pakitian		23.90	Zembla	Kwacha	14.52
of		PERDUCE MAIL			Learnes unice	<i>∪.</i> 70	Ziribābwe	Zimbebwe \$	2.385

Plants is the transfer restrict (controlled). ‡‡ Now one official rate. (1) Essential goods. (2) Preferential rate for priority imports such as foodstuffs. (4) Preference Destruction and Section Destruction and Section Destruction and Section Destruction Prior expenses. (14) Nearly all business transactions. (15) Uganda, August 24; Single Exchange Rate introduced. (16) Nigerta, October 16; August 24, August 24, Single Exchange Rate introduced. (16) Nigerta, October 16; August 24, August 24, Single Exchange Rate introduced. (16) Nigerta, October 16; August 24, August 25, 1986. (19) Guitnes Republic—frame, new exchange rate august 25, 278 August 27, 1986. (19) Guitnes Republic—frame, new exchange rate august 26, 278 August 27, 1986. (19) Guitnes Republic. te. (9) Baskaote rate. (10 for dollar 4.1965. (17) Hu sett. (20) Brazil:—1

MONEY MARKETS

UK rates ease in trading

INTEREST RATES were slightly lower in London yesterday. Short term rates eased in reaction to a shortage of around £100m and the Bank gave no assistance in the morning. term rates eased in reaction to a small shortage forecast by the Bank of England while longer term rates reflected sterling's steadler trend. The first day of trading in the London Stock Exchange under the new system after denegulation had virtually no impact whatsoever. Three-month interbank money was quoted at 11½-11½ per cent compared with 11½-11½ per cent while the one-year rate was unchanged at 11½-11½ per cent. Overnight money touched a high of

24.2

of Treasury bills together draining 2570m. These were partly offset by Exchequer transactions which added £125m, a fall in the note circulation of £320m and banks' balances brought forward £30m above target. The forecast was

ance in the morning.

In the afternoon the Bank gave assistance of £113m through outright purchases of £44m of eligible bank bills in band 3 at 10% per cent and in band 4 £10m of local eutbority bills and £59m of eligible bank bills ell at 10H per cent.

MONEY RATES **NEW YORK** (4 pm) Oct. 27 4.55-4.65 7.2-7.2 4-41, 53-53, 4.84375 11-111, 72-74 CII.00 a.m. Oct. 27) 3 months U.S. dellars .

FT LONDON INTERBANK FRANG LONDON MONEY RATES

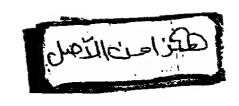
114.114 11-5 10₂₋10 11,3-20 94-92

rates move significant. I from present levels. Commercil banks
were well placed to meet their
end of month minimum reserve
end of month minimum reserve
the requirements up notil last week
who balances were run down.

This has resulted in renewed bidding for finds this week as the
second for finds and finds are supproperlies.

The superlies of the renewed bidding for finds this week as the
second for finds and finds are superlies of the renewed bidding for finds this week as the
second for finds this week as the
second for finds and finds are superlies of the renewed bidding for finds this week as the
second for finds this week as the
se

40 BRITISH FUNDS 1766 Price + art Year	AMERICANS—Cont. 1986 Price + or life Yill 1986 Low Stack E Geoss Cw Gr's	TONDON SH	ARE SERVICE	ENGINEERING—Continued	INDUSTRIALS—Continued
"Shorts" (Lives up to Five Years) 102511002, Each 1992 (1997 1904 + 1, 1537 11.06 1972 (1972 (1973 1974 19	77 284 Chendral New York 307 14 227 37 37 37 37 37 37 37 37 37 37 37 37 37	BUILDING, TIMBER, ROADS—Cont	DRAPERY & STORES—Cent.	193 84 Birmid Qualcast 1287-1+2 19.75 2.6 4.1 12.3 200 103 Birmingham Miris 186 +3 6.25 0.6 4.7 11.8 400 400 400 400 400 400 400 400 400 40	126 128 Abmase 163 14 15.65 27 33 124 15.65 27 33 124 15.65 27 34 15.65 27 35
101 96 Frees. 10pr 1987 992 4 11.29	129-1749 Cut/feed Fin. Corp	1986 High Low Shack Prior Prior High Low Shack Prior	1986 1976	185 40 Booth factories 185 44 1.0 1.1 0.3 1940 124 125 125 125 125 125 125 125 125 125 125	195 100 Martie 10 203 -17 60 29 42 11.5 54 55 120 Armson 100 203 -23 204 - 10 95 32 23 Armson Trust 100 262 11.5 0.4 6.2 22 101 20 262 11.5 20 20 6.2 22 101 20 6.2 20 6.2 22 101 20 6.2 20 6.2 22 101 20 6.2
72 1102 195 195 195 195 195 195 195 195 195 195	090 11\sq\text{Can lifewis Hides S. 15\sq\text{sq} + 4 9\text{90} 3\text{90} 9\text{Verapotate Data Scient.} 9\text{90} +3 13\sq\text{13\text{90} Custimes Stow S0.1 413\text{90} +3 25\text{17\text{90} Data Corp. S1	136	151 100 Tobet & Britanis 146 183,5 26 34 16,3 180,5 57 Time Prod. 10p. 75 +1 120 27 3.8 125 190 370 116 Top 10p 176 -2 12.0 3.3 1.6 24,9 -95 57 190 Value indx 10p. 46 -10 182,5 52 191 Value 191 Value 192 Value 193	34 15 Breet Eq. 10e 296 5 0.5 1.0 2.4 (\$4.0) 50 25 Breete Ted 56 333-st - 2 (\$1.25 3.9 3.3 6.7) 31 19 Breet Lotes 27 4 3 (\$2.0) 4	**12 4 Assot, Br. 596, 13 207 8% 3.4 3.22 105; Assot, Br. 1975 282 1 195, 195, 195, 195, 195, 195, 195, 19
107.3 90.3 [Frex 11] or 1989 1063 [-2] 11.46 11.25 11.85 93.2 [Frex 1999 1999 1063 [-2] 11.46 11.25 92.4 62.2 [Frex 19.2 [19.9] 97.4 10.6 11.23 10.5 10.5 10.5 10.5 10.5 10.5 10.5 10.5	26-3 60-0 Vicense Lock Medici . 144-3+1 23 79 554-0 Restrict St. 77-3+3 52-56 - 23 524 423-Easter Corps. 50: 504-3 51.60 - 22 544 185-61 Gross 50:01 29-3+1 52:04 - 5.8	100 100	46 28 Usten (D W 43 -1 44 5 19 7.0 10.7 202 31 41 67 25 41 10.7 26 41 41 41 41 41 41 41 41 41 41 41 41 41	105 56-Cardo Eng	284 129 B8A Group 129 -14 F2A 3.5 2.6 17.8 153 385 BET 294 13 16.0 1.5 5.7 14.4 153 16.0 1.5 5.7 14.4 153 16.0 1.5 5.7 14.8 153 16.0 1.5 5.7 14.8 153 16.0 1.5 5.7 14.8 153 16.0 1.5 5.7 14.8 153 16.0 1.5 5.7 14.8 153 16.0 1.5 5.7 14.8 153 16.0 1.5 5.7 14.8 153 16.0 1.5 5.7 14.8 153 16.0 1.5 5.7 14.8 153 16.0 1.5 5.7 14.8 153 16.0 1.5 5.7 14.8 153 16.0 1.5 5.7 14.8 153 16.0 1.5 5.7 14.8 153 16.0 1.5 5.7 14.8 153 16.0 1.5 5.7 14.8 153 16.0 1.5 5.7 14.8 153 16.0 1.5 153 16.0 153
110.2 94-Each 10c-107 104-1 104-1 1106 11-1 1106 11-1 1106 11-1 1106 11-1 1106 11-1 1106 11-1 1106 11-1 1106 11-1 1106 11-1 1106 11-1 1106 11-1 1106 11-1 1106 11-1 1106 11-1 1106 11-1 1106 11-1 1106 11-1 11-1	42 25 Fore Motor \$2	94 79 Gallerot 50 89 +1 48 \$\phi\$ 7.6 \$\phi\$ 63 27 Gallero (M.C) 100 57 -1 1.8 3.0 4.4 10.4 365 254 Glerson (M.C) 100 330 -5 15.37 5.4 2.3 11.4	188 140 (Windows 40) 183 120 42 1.5 20.4 1.55 97 (Windows 5) 94 -3 -3 -2 5 0.5 2.0 - 112 94 (Windows 5) 94 -3 -3 -2 2.3 4.9 12.7 920 438 (Windows 6) 50 - 53 -2 4 16.0 2.2 3.5 14.9 12.7 12.0 150 (Windows 6) 150 (State 10) 150 150 (Windows 6) 150 (State 10) 150 -1 12.5 3.7 2.3 16.7	*43 28 Christy Hoot	927 900 Grap 927 41 97.81 24 40 11.9 201 104 10 920 40.0 11.9 201 104 105 201
890. 70% Treas 3gc 1997 - 4000 - 93 - 4	154 10 6t Am First Styp Bs 51. 125 mm.	142 86 HA7 Group 109	ELECTRICALS	20	220 Bard (WH) 21 220 Ba
864 79% from 3px 19910 785pd - 5 3.77 8.51 11.09 785pd - 5 11.09 11.09 785pd - 5 11.09 11.09 785pd - 5 11.09 11.09 11.09 795pd - 5 11.09 11.00 11.00 11.00 11.00 11.00 11.00 11.00 1	244 19 Hoston late late 234+4 1.7 2.0 1.12 337 344 2.7 3.1 3	45 27 Herrard Ster. 10p 45 +1 d1.4 1.6 4.4 18.1 196 127 Herrard Ster. 10p 45 +1 d1.4 1.6 4.4 18.1 196 127 49 Herrard Ster. 10p 45 +1 196.0 25 3.8 133 135 135 135 135 135 135 135 135 135	375 185 AB Electronic 315 -3 18.0 0 4.5 0 125 65 ABAIS inch 50 777 11.23 51 52 122 122 126 136 34 24 24 25 25 25 25 25 2	1959 160 Deta Group 1764+15 15 20 32 95 125 125 125 125 125 125 125 125 125 12	12
105 107 108 12 12 12 12 12 13 13 14 14 13 14 14 14	124 80ta U intri. \$1.15	CS2 SA2 Lateries Co., F100 SC36 L. 107.3% 45 1.0 11.9 3468 276 Laterie Co. 10 11.9 3464 27.0 54 28 92 300 260 Laterie CV 260 Lateries CV 360 L	318. 200 Magnish' propisio Sp. 218 + 25	58 32 (#Easle 53 H1 10.75 2.0 4.7 12.8 222 157 Educ (Hidga) 7.5 2.0 6.0 11.5 11.5 11.5 12.0 12.5 12.5 12.5 12.5 12.5 12.5 12.5 12.5	143 4 300 Berpai 10p 192 -3 423 19 5.9 822 157 215 Berthell 490 +5 405.0 21 4.1 124 150 315 Berthell 5p 370 -5 6.0 22 23 28 3 250 315 Berthell 5p 240 11 125 25 40 115
103 103 17ea 12 or 1993 186 15 11 11 12 12 12 13 14 15 15 15 15 15 15 15	224 154 Lone's Dr. 174 1 1 1 2 2 2 2 2 2 2	91 18 Lilley (F.J.C.) 31 +7 1352 19 1 40 140 93 Mon. & Clydeside 110 56 20 72 98	537 225 0 8	40 28 Feltes of 50 33 1.4 2.5 6.0 17.7 129 84 621 letal. 20 2445 42 1220 2.1 6.9 17.9 186 60 Cartae Eq. 100 100m/2 35 30 4.9 7.5 186 186 26 4.3 12.5 12.5 12.5 12.5 12.5 12.5 12.5 12.5	175
79 689 Exch 100 x 1995 745 101 1077 1111 1110 1110 1110 1110 1110	40 32 POTIES \$1 44 + 1 52 - 01 28 20 POTIES \$1 21 4 34 182 13 Potition \$1.25 1 34 25 20 Potition \$1.25 20 20 Potition \$1.25 20 20 4 4 4 5 5 5 5 7 279 179 Paties \$0.10 25 20 20 4 4 5 5 7 279 179 Paties \$0.20 20 20 4 4 5 5 7 28 179 Paties \$0.20 20 20 4 4 5 5 7 28 179 Paties \$0.20 20 20 4 4 5 5 7 28 179 Paties \$0.20 20 20 4 4 5 5 7 28 179 Paties \$0.20 20 20 4 4 5 5 7 28 179 Paties \$0.20 20 20 4 4 5 5 7 28 179 Paties \$0.20 20 20 4 4 5 5 7 28 18 18 18 18 18 18 18 18 18 18 18 18 18	196 128 Mayert & Southerns. 193 +3 5.2 1.6 3.8 23.0 326 177 Manniers (Hidg) 326 +1 163.1 25 3.3 17.2 134 101 Martey 114 3.79 1.5 4.6 22.9 208 1.60 Mayeris Halitz 184 -2 5.22 2.5 4.0 15.4 144 Mayoniers (Halitz 184 -2 5.22 2.5 4.0 15.4 144 144 Mayoniers (Halitz 184 1.4 144 Mayoniers (Halitz 184 1.4 144 Mayoniers (Halitz 184 1.4 144 144 144 144 144 144 144 144 14	130 63 ESS Ind 100	93 60 Maint Precision 50 7852+12 17.79 22 3.1 15.5 230 132 Haif Esp. 50p	315 190 Boot (Newty) 509 — 254 — 1 33 — 33 — 34 — 259 — 260 — 27 — 1 7.1 22 4.4 143 — 255 — 125 — 255 — 12 19.96 — 26 — 26 — 26 — 26 — 26 — 26 — 26 —
1334 131 Trees, 14ec % 12.16 11.25	574 31: Personi 834 472 477 3.0 544 40: Pilsbarry 1 2.6 56 38- Renier Oats 35 554 45 11.0 3.1 364 22-8-R Ranker Inc. 3554 45 11.0 3.1 365 278-R Ranker Inc. 3554 45 11.0 3.1	151 95 Mary 6 Hassell 138	129 75 (Perizamia Sec. 100 120 +11 1.5 + 1.0 + 1.0 + 1.0 + 1.5 + 1.7 5 2.3 5.7 10.8 10.9 7.7 3 (Perizamia Sec. 100 1 1.5 +1 7.5 2.3 5.7 10.8 10.9 11 Raigia W 59 11 1 Raigia W 59 11 16 2 +1 2 0.1 8.7 0.9 18.9	120 653 Hill & Suith 92 1 13.65 25 5.9 9.1	197 112 Bridon 195 1
1075 842 Tress 84at 1972# 864 2 10.09 10.83 165 1204 2 1224 11.40 10.72 1224 2 1227 11.40 10.72 1224 2 10.53 10.77 10.76 12.76	13 11 Saul (8. F.) \$1 12 m + 4 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	112 60 Phoesix Timber 76 +2 n 364 10 205 Posiss 386 14.0 + 5.3 + 17.7 90 Polymor 10p 125 -1 1.65 12 1.5 29.3 688 442 RMC 423 +3 124.0 3.5 13.2 12.7	150 62 CASE Group 20p 78 +1 0.45 - 0.85 - 0.8 177 125 (CAS - 0.8 1.9 13.9 1.9 13.9 1.9 13.9 1.9 13.9 1.9 13.9 13	140 66 Jeen & Shipman 192 -2 3.85 3.1 3.3 6.5 323 279 Laird Srien 220 3+25 16.0 3.4 3.8 8.6	205 130 British Vita 205 42 (m.67) 3.1 2.6 lb.3
1244 103 3 Each 12c 1993 1864 and 1 11.31 11.37	29/4 239-4 remeet 55 26 91-5 26 4 279 - 7.4 176-5 135 0a. 10ct a 36, 91-5 26 26 279 - 6,3	21 Rahe Inst. 10p 76 +1 +0.82 0 1.5 6	225 113 Do. 7-ye Cin Cor Pt 206 +1 8	33 (23 (Da. W.Sa. 31)	87 58 Sures Antis 10p 78 I+2 153.0 1.8 33.0 3.7 96 74 SCLA Galleries 10p 92 +2 118 32 3.6 122 97 43 CH Industs 10p 93 136 127 40 CH Indust 10p 93 136 137 136 137 137 138
133-2 111 Threas 139: 2000 1133-2 11.65 11	27 219 Transverts 31 209+1, SL7 4.0 28 159 Transverts Cop 35 28 +34 4 10 1049 USA S1 189-1, SL7 45 159 750 Unite Carbide S1 159-149 119 - 6.6	190 134 Rusty P. Cement 1561 164 17 30 122 144 88 Share & Fisher 120 +2 123 28 27 188 128 15 Sheffeld Brick 27 +3	53 31 #Compost Hills, 50 48 -3 11.5 - 5.3 - 345 220 #Con'l Microwave 280 - 4.5 4.5 2.3 13.9 210 123 Control Yech 109 189 +3 1.2.7 2.8 2.5 21.6 76 48 #Crastrons Elect 50 51 +1 11.5 7.2 4.1 13.2	101 95 Megylet Sp. 124 M. 10.5 6.2 1.7 25.7 19.1 19.1 19.1 19.1 19.1 19.1 19.1 19	172 85 4 Cannon St. Iona 200 172 144 115 57 12 124 125 1
194 104 Each 12c 99-02 10512 4 11.10 117 22 Conversion 10c 2002 95 4 1 10.70 139 116 Litreas 134c 2000-03 1189 4 11.11 117 92 Treas 10c 2003 1189 4 11.11 118 93 Treas 10c 2003 106 106 106 106 106 106 106 106 106 106	41/2 277-103 Westil 332 30 + 3 11 - 33 32 21 201 Westil 332 30 + 2 11 - 25 25 25 25 25 Westil 332 25 25 25 25 Westil 332 25 25 25 25 25 25 25 25 25 25 25 25 25	196 52 97ey Homes	346 259 CrayEfferaic 10p 209 -2 3,91 + 16 + 4 25 140 CrayEfferaic 10p 2012 +2 M51 3.4 3.0 11.5 7.7 4.8 500 Feedenleys 10p 46 32.4 130 11.5 134 3.7 +0.1 15 400 Feedenleys 10p 166 +1 12 + 10 + 10 + 10 15 7.8 2.0 0.9 179 49 Date Elect. 10p 56 +1 3.0 - 7.5 -	338 222 Porter Class 20p	90 56 Cape Industries 72 41 2 33 39 135 100 8 40 Can Co Pf 165 2 30 135 100 8 40 Can Co Pf 165 20 29 17.1 39-3 25- Octesion 20p 30 -12 100 24 47 123 48 49 5cm. Sheerend, 5p 412 20 29 17.1 23 49 5cm. Sheerend, 5p 412 20 29 17.1 23 49 5cm. Sheerend, 5p 412 20 29 17.1 20 24 47 123 49 5cm. Sheerend, 5p 412 20 29 17.1 20 24 47 123 49 5cm. Sheerend, 5p 412 20 20 20 20 20 20 20 20 20 20 20 20 20
112- 92 Treas. 10c 2004 99 415 10.63 49 49 416 415 40 415 41	17a 134 15 15 15 15 15 15 15 1	43 26 [Freen (Cantr.) 10p. 31 -1 3.75 1.7 22 11.6 7.6 42 @Bd (Cantr.) 10p. 321 -1 3.75 1.7 7.2 11.6 3.0 115 Virrophan. 326 30.5 35 4.0 9.3 290 246 Ward Hidgs. 10p. 290 +2 7.25 2.6 3.3 15.4 100 35 Wardington (Thes.) 301 +3 4.6 3.1 3.5 12.6 12.0 172 Warts Babe. 185 +33 14.6 3.1 3.5 12.6	*189 140 Datasery Inc 5:	248 55 Charoffe (F.S.) Ind5 145m 155 90 Ratelffs (E.B.) 95 22.5 + 91 46 Renold 570_241_2 2.0 2.4 4.9 (9.5) 90 51 Richards (Lelex. 10p. 40211p. 360 145 Rubheson (Tiles.) 316 -5 361 131 Renold 12873-1 15.4 2.3 5.9 9.8	88 65 Chamtrian Ph. 10p 83 4323 JD 6-97 LL6 555 190 Chamter Core 2p. 259 -2 11.5 15 63 13.7 18 63-3-Caensical Methods. 8 004 12 9.1 8.8 197 123 Wikina Light HKS5 197 +4 0506 29 2.7 12.8 183 246 Christles Int. 10p 292 +2 5.5 2.6 27 19.7 112 84 #Casted Electroth 55, 100 83 9.10 3.3 11.6
783/Irress 8pc 2002-66tt 80 - 100-10.39 1-1 105 (Irress 114pc 2006 93/, m-1 10-10.55 1-1 105 (Irress 114pc 2003-07 835-1 10-10.75 1-1 1181 (Irress 13-3pc 20408 121)-1 1111 10.75 100 794/Irress 8pc 2009 290-10 10-10.35	359g 353g 36. opt Deb.1.00 36.2 - 7 4% 11.0 16.9 875p VEcho Bay Mines 15 20c 0.6 17.0 22 20c 0.6 17.0 22 20c 0.6 17.0 22 20c 0.6 17.0 22 20c 2.0 2	170	50 37 Develop 6 M. 100 42 1,50 24 3.3 10.9 468 345 50 meth 16 50 48 +10 1 228 43 3.1 10.9 468 101 56 50 45 1 728 4.3 11 8.8 126 101 56 Electrospi 10p 374 -14 625 3.3 124 183 147 93 Mether Mose 10p 123 +3 3.4 22 3.9 142 100 62 Helice that Proc. 50 75 216.4 22 10 11.4	\$250, \$251,580° A6 \$350\$250°4+5	107 23 4Colorges Inc 30.01 32 -3 -2 43 15.8 -2 45 15.8 -2 47 47 47 47 47 47 47 4
734 57-4 Freez. 5-pc 2006-124; 5613 - 1 9.50 175-4 175-2012-154; 175-2012-154; 10.20 175-4 175-2012-154; 10.20 175-2012-154; 1	80% 320 Golfath Bold Mines 7660 +11 -	CHEMICALS, PLASTICS 648	85 46 Electronic Matchine 59 +3 0.7 2.1 1.7 (33.7) 62 42 Electronic Rectals 520 +42 3.23 1.2 8.7 14.0 355 225 Ennest Eleghing 27 44 62.26 3.1 19.5 528 520 Enteronic Matchine 520 +41 v0189 0.2 3.1 195.3 375 25 Enrothers in 1.00 260 4.75 3.4 2.6 13.2 13.3 15.3 15.3 15.3 15.3 15.3 15.3 15.3	535 330 (TACE 100 350 16.65 28 27 16.3 584 353 17 Group £1 416 -5 13.0 23 4.4 10.6	115 e 39 Cordos Prope 10p 388 72 12/3 2 4 15 10 6 32 6 6 11 10.07 6 32 6 6 6 11 2.5 10 5 15 15 6 6 12 2 5 10 5 15 15 15 15 15
42 335 War Less Stortt 344, m 5 10.26 — 335 Com. Stort LAN. 24, 7 10.19 — 332 283 Freez. 3c 66 Att. 27, 7 10.19 — 242 + 4 10.28 — 242 + 4 10.2	259 165 Vitoperial Olig 23 +14 SSL60 33 114/316 locol 35 144 SSL60 33 144/316 Vitol. Corona Res 23 47 USB22 13 134/316 Vitol. Corona Res 25 135 47 60c 72 01 125 USB22 14 60c 42 14 60c 42	245 177 Audior Chemical 217s1-1 425 5.0 1.8 7.7 29 10 Astra Holdings 50 175+1 425 5.0 1.8 7.7 1.0 675 8.05 6.0 455 8.05 6.0 455 8.05 6.0 455 8.05 6.0 455 8.05 6.0 455 8.05 6.0 455 8.05 6.0 455 8.05 6.0 455 8.05 6.0 455 8.05 6.0 455 8.05 6.0 455 8.05 8.05 8.05 8.05 8.05 8.05 8.05 8.	909, 47 Fire 109 802-1 0.78 30 13 17.6 250 147 Farcell Elec 5 15111-1 12.2 50 2.1 13.7 26 5. Feedback 109 76 +1 01.25 20 23 27.3 102 120 Feed Security 109 97 -5 1.7 3.4 2.5 16.1 112 120 Feed Security 109 17.5 -2 3.5 3.1 2.6 15.7	167 118 Tex Hidgs 10e	310 206 DPCE 5p 225 228 39 14 25.1
(b) (2) (2) (2) (2) (2) (3) (2) (4) (5) (6) (7) (7) (7) (7) (7) (7) (7) (7) (7) (7	431. 304 Seagrand 431. 45 USS.00 16. 15. 131. 101. Toronto-Don. 8k. 115. 84c 3.5 15. 15. 15. 15. 15. 15. 15. 15. 15. 1	108 Brent Cierus 10p 1399-m+12 184.6 1.9 4.6 14.9 197 136 147 198 136 147 198 136 147 198 136 147 198 198 136 147 198	74 65 #Fleicher Deurs 59 66		980 233 De L3 Roy
1074 95% 0a.2°9c°03 (310.7), 977-98+4 3.89 4.94 1108, 96% 0a.2°c°06 (274.1), 10061+6 3.6 3.67 3.77 106 97. 0a.2°9c°09 (310.7), 96%, 28+5 3.69 3.87 1113, 96%, 0a.2°9c°13 (294.1), 2014+4 3.6 3.6 3.80 1113, 96%, 0a.2°9c°13 (294.1), 2014+4 3.6 3.5 3.6 3.6 3.7 1018, 87% 0a.2°9c°16 (322.0), 82%, 44.4 3.5 3.8 3.9 99.9 2 0a.2°9c°16 (322.0), 92%, 44.4 3.5 3.8 3.9 100.2°9c°16 (322.0), 92%, 44.4 3.5 3.8 3.9 100.2°9c°16 (322.0), 92%, 44.4 3.8 3.9 100.2°9c	1986 High Low Stack Price - Net C've Gr's Price 279 186 ANZ SA1 279 - 031d 3.1 5.7 5.7	23 15 Cary Glasses 50 215-45 10.6 2.9 2.1 2.1 2.1 2.1 2.1 2.1 2.1 2.1 2.1 2.1	112 79 Highland El, 200 779 25 6 4.5 6 160 1100 Holass Protect, 50.01 110 02.2 7.6 1.4 9.7 113 6 Highland El, 70 7 -13 02.1 5.9 4.4 12.1 165 45 181, 100 684+33 01.2 4.7 2.5 9.2 170 HINSTEM 100 12 -1 21.4 1.4 2 5.7 12.5 12.5 12.5 12.5 12.5 12.5 12.5 12.5	154 69 Wee Group 2004;1+2; 12.88 29 3.9 (9.8) 50 14; Weeman 304;1+3; 15.5 21 117 52 Westhard 55 45 45.0 3.0 3.0 120 84 Whense 94 5.5 21 8.1 8.3 33 16; Whense 10 22; 2-2	122 94 Domistico Int. Zip. 104 +2 5.5 25 7.4 6.0
100 854 Da. 2/30 201 (32733) 91,5 + 1 3.45 3.59 Prospective re31 redemption rate on projected inflation of (1) 10% and (2) 5%, (b) Figures is parentheses show RPI base mouth for Indexing, le 8 mouths prior to issue. RPI for February 1966; 381.1 and for September 1966; 387.8.	86 '63 Aschacher (H.) 1p 75 (25 B94 Banco de Buban S.A. (280 H-) (27 B95 Banco de Buban S.A. (280 H-) (287 C9 2.5 14.0 1225 LIO Banco de Sastander. (22 H-) (107.05 2.0 2.1 24.2 50 17.1 Bant friedad in [c] 183 H-5 1004400 2.7 7.0 7.3	222 5154 Engelland U.S.St.00. \$204 11. 72c 2.4 13.1 13.1 14. Ende Group 115 1.1 73.2 2.7 3.9 13.1 13.1 14. Ende Group 115 1.1 73.2 2.7 3.9 13.1 13.1 Fosco Minsen 242 -1 9.0 2.5 5.3 00.2 17.3 11.2 Hatstend (L.) 10p 16.9 -5.0 0.1 2.5 5.3 00.2 17.5 18	25	FOOD, GROCERIES, ETC	For East Radii Code Ser London Farance & Inst. 40 27 VERSCANCE 20c 35 66c 1.3 8.1 9.3 102 245 Eastern Prod. 50p 306 +1. 10.0 3.1 4.6 7.80 37 11 Hectoric Hides, 10p 291 -1.2 60.25 4.9 2.2 23.9 38 10 Hen. 00d 10p 29. +2. 41.89 1.4 6.8 14.6 43 279 Elibert 10p 440 +1. 41.89 1.4 6.8 14.6
INT. BANK AND O'SEAS GOVT STERLING ISSUES 1134 900 Justice De 18:11 Just 2010 11:42 1134 1134 1135 1135 1135 1135 1135 1135	E111 600 Bank Leuns 5111 5	170	45 . 7 W. seer Lab \$40.50 . 9 105% 3.6 112.1 2.3 322 220 fc. Refrigeration 268 . 125 2.0 6.6 110.6 117 20 Lepton the \$0.01 20 103.4 3.9 12.2 2.5 2.9 122 Lopto 10.5 10.5 203 +4 1.0 \$0.7 \$0.5 1.5 1.5 1.5 1.5 1.5 1.5 1.5 1.5 1.5 1	170 150	223
11- 98- 00. 11-pct.n2015 991-mi+ 2 11. 11.49 11.79 98- 200 in 8h 11ac ta 2002 991-mi+ 2 11. 11.06 11.0	146 98 Basiness Mort 7st. 98 1.53 7.2 22 8.8 942 280 Cater Allen [11. 200 - 3 gc.015 - 10.11 - 137 67 HChastery Scarlier, 127 12.2 12.2 2.2 15.2 2.4 15.2 2.	118 98 Leish Interests 5n 111 375 1.8 4.7 16.3 16.5 221 Morceau Hitter 221 9 13.7 4.7 16.3 16.5 221 Morceau Hitter 221 9 13.7 4.7 2.4 9.7 16.5 16.5 2.5 2.5 2.5 2.5 2.5 2.5 2.5 2.5 2.5 2	310 160 HMMT Computing 5p. 295 -15 14.0 3.0 1.9 24.5 195 125 Mauru 4.5p. 198 125 1.0 7.7 0.7 25.5 198 175 Maleyare Nat. 10p. 62 -3 1.87 3.5 4.2 7.8 198 199 175 Medierware Nat. 10p. 82 -1 13.0 1.4 5.2 19.0 199 199 199 199 199 199 199 199 199 19	PAGE 12701 BSN F7-100	831 241 Eng. China Citys 316 -1 111.0 22 4.9 12.5 271.5 17 Epiture Holdings 326 +2 -3 5.0 23 4.6 12.7 136 Epiture Holdings 153 +3 154 279 136 136 Epiture House 153 +3 1278 15 1278 15 1278 15 1278 15 1278 15 1278 15 1278 15 1278 1278 15 1278
724 81 Maysis Milysta 2009 923-52 11 13-21 The 972-10-12-april 788 994-14 17.66 103-8 85 Met 165-32 2008 994-14 17.66 1.44 101-182 14-april 1987 101121-13 11.99 10-182 10-182 2008 974-14 11.58	C280 C217 Desirate Bk DM50 S270 +1	44 29/kinson (Wru 10p. 44 +2 1.0 3.1 3.2 13.3 186 62 Rastroot Higg. 198 +3 25.3 1.3 13.5 17.4 128 Restoid 10p. 124 -1 24 3.0 2.5 17.0 27.0 27.0 27.5 125 Schering AG (MPS) 2246 +44; (24% 27 1.7 22.2 186 1.73 Sch. Agric, Intel. 21. 17.3	245 85 88cro Focus 10p 105 -5 152 66 86cro Score 10p 66 -4 1.53 4.6 3.3 0.4	105 83 Beaters 100 86 -2 2.2 2.3 3.0 17.3 184 146 Bettern 100 100 100 100 100 100 100 100 100 10	10 00.5% Red, Pre 238 5% 51
136 1137 Sweden 1315ct in 2010	75 53 HK4 Shang HKS2.50. 73 +11, +40c 4.7 520 318 Joseph (Leol £1	66 47 RSpectra Auto 10p 63 125 21 3.0 9.9 35 Sutylife Spectrams 1 564 1 - 17.4 53 222 Tharyan Barder 10p 564 1 0.6 4.7 1.3 21.0 590 209 Warde Storey 10p 351 +3 15.0 3.3 2.0 20.5 255 177 Worksteinbowe Risk 221 +3 17.5 12 4.9 23.8 48 66 Yorkstire Chems. 157 23.0 4.3 3.1 8.1	220 95 #Miscolesse 10p 155ml+21 e4.0 2.6 4.2 11.0 170 125 #Miscolesse 10p 161 -2 R1.78 45 1.6 20.3 48 22 #Miscolesse 10p 170 170 170 170 170 170 170 170 170 170	61½ 32 Bortinck (18x3 10p 41½+3½ \$10.5 3.3 ± 16.4 27 16 \$16 \$16 \$10.5 10.5 10.5 10.5 10.5 10.5 10.5 10.5	42 25 Feeder Agric, 10p. 34 +2 91.5 27 62 82 33 105 Feeder (1, H.) 31 -1 5.0 13 34 (183) 38 17-34 repubrouk 20p. 20p. 42 12 - 82 - 71 33 07 Ferdit A-Chron 752 + 2 15.5 3.7 1.4 23.5 67 13 60 75 14 31 100 75 1.9 33 190
103- 100 100 10	196 136 King & Shaxson 200 136	DRAPERY AND STORES 22 8 Hack review 10p. 19 +1	96 55 Biolynz 20 96 +11 q1.5 4.1 2.2 13.5 (537) 5275 Biolynz 20 96 +11 q1.5 4.1 2.2 13.5 (537) 5275 Biolynz 20 97 98 -2 0.1 0.4 -17 - 55 39 Marriay Electrosis. 50 +7 0.2 0 0.6 0 0.5 0 0.5 12 13.1 -	258 158 Cition's Dairies 260 +15 197.2 25 3.9 14.8 1 25 141 Da. "A" N-V 203 -2 197.2 25 5.0 11.5 11.4 96 McCaractic Hill 100 106 15.32 22 7.2 9.0	90 801-Fractic Chaige RCSIS-5 830 90 021 4 9 29 9
11: 24- Dr. Ser 20Ar. 25- 12:00 12:00 11:41 11:45 95- Manchester 11-9c 2007 1000 11:41 11:45 COMMONWEALTH & AFRICAN LOANS 941 79 N2 7- 10:00 Non-Action 10:00 11:22 5 Shord 2-9c Non-Action 10:00 11:22 5 Short 10:00 11:22 5 Shor	516 373 Norque Grendet E2 385 44 18.5 31 - 320 203 Nax Asst. Bk. ASi 243 41 1627.54 33 3.0 6.1 167.54 33 3.0 6.1 167.54 33 3.0 6.1 167.54 33 3.0 6.1 167.54 34 3.4 167.54 34 3.4 167.54 3.4	117 97 00.81cc0Cc68ff 100 84.54 12.23 277.2 14 Ambre Day 27.5 154.44 8 - 9.2 150 150 Acustortus 55 215 45 2.5 1.4 1.0 66.4 95 98 00.47 55 66 42 2.5 1.4 53 20.4 20 440 45.84cc 1.71	£24 £1848th Telecom () £2154+4 040d — 1.2 —	275 201 Dec Corp Sp 212 +11 7.2 1.6 4.8 16.00 81 25 England (J. E.) Sp 81 +10 355 355 317 +11 152 (J. E.) Sp 211 151 (Fisher Col.) Sp 211 151 (Fisher Col.) Sp 211 168 12.25 \$\phi\$ 2.0 \$\phi\$ 131 (Sp 1) 151 (Sp 1) 152 (Sp 1) 153 (Sp 1) 154 (Sp 1) 1	137
79 72 Da. 4-pc 67-92 Assid	895 7 420 Standard Chartd.£1 770 +6 135.0 2.2 6.4 8.6 3	95 70 Beantle (J) W 90 +1 2.66 29 4.2 11.9 90 +2 77 Hörefund (Wad 5p 90 +1 12.3 25 24 7.0 0.5 11.0 75.0 11.0 75.0 11.0 75.0 11.0 75.0 11.0 75.0 11.0 75.0 11.0 75.0 11.0 75.0 11.0 75.0 11.0 75.0 11.0 75.0 11.0 75.0 11.0 75.0 11.0 75.0 11.0 11.0 11.0 11.0 11.0 11.0 11.0 1	187 143 Pency & Gies Inti. 173 218 46 10 173 143 63 Pericom 10p 118 -3 123 17 27 518	124 66 Krieshkale Fook Sa. 124 45 1.9 2.4 2.2 25.3 26 25.3 138 62 63 63 63 63 63 63 63	## 107 Granuplas Hdgs
100 98 1 1 1 1 1 1 1 1 1	815 Uron Oksoner 11 670 42 37.6 -7.8 - 677 54 53.12 -2.6 - 678 54 53.12 -2.6 - 678 54 53.12 -2.6 - 678 54 53.12 -2.6 - 678 54 53.12 - 68 54 53.12 - 68 54 53.12 - 68 54 53.12 - 68 54 53.12 - 68 54 53.12 - 68 54 53.12 - 68 54 53.12 - 68 54 53.12 - 68 54 53.12 - 68 54 54 54 54 54 54 54 5	70 990 Body Shop Int 5p. 479 +5 th1.5 6.7 0.5 66.7 32 16 Bolton 7ext. 5p. 38 34.1 72 37 Brenteer 44 +1 40.5 1.1 770 +5 11.25 2.4 2.5 2.8 3.0 9 2.7 9 45 44 91 12.3 12.3 12.2 12.5 2.8 3.0 9 2.7 9 45 44 9.1 12.4 9.1 12.3 12.2 12.2 12.2 12.2 12.3 12.2 12.2	130 1079 Partia-Einer 4pc 22312 94% 0.7 120 102 949 120 102 949 120 102 949 120 102 949 120 120 949 120 12		225 Halva 100
1004 9811 be 97sc 18.587 991.10. 991.10. 10.1 981 be 92sc 15.587 992. 10.1 10.1 982 be 92sc 15.587 992. 10.1 10.1 10.1 10.1 10.1 10.1 10.1 10	145 123 Comb Leave Fis 50p 134 1 1.133 3.9 1.4 193 140 (140 CZ87 50c 87c Fr 1700 — 1238 1 01393 — 12 40 29.7 12 Eastly 4 Gen 5n 32 12 40 29.7 12 40 100 100 100 100 100 100 100 100 100	73 63 Carters W 20p	55 23 ePasarec 10p 53 \$1.0 \$ \$20 162 Pissey 1 5.00 26 4 11 13.0 0 12.0	\$25 \$10 kow (Wm.) 20a	51 36 Plantons 50 47 46 11.27 1.9 3.8 13.3 3.4 3.2 6.5 203 Plantons Europa 10p. 236 +1 4.0 2.7 2.4 2.1.9 4.0 2.7 2.4 2.1.9 7.0 315 Da. Cirv Red Pri. 333 7.0 4.0 10.8 7.0 4.7 2.2 13.9 2.3 13.9 13.5 Idental Whiting 50 455 7.0 4.7 2.2 13.9 13.9 13.1 13.1 10.2 2.3 13.1 15.7
100.5 99% Do. 9767.7987 98%+1 10.00 11.36 100.5 99% Do. 10.20 21.987 9711 12.28 10.31 9711 12.28 10.31 9711 12.28 10.31 9711 12.38 10.31 9711 12.38 10.31 9711 12.38 10.31 9711 12.38 10.31 9711 12.38 10.31 10.31 9711 12.38 10.31		20 CAVE Semeon W	127 16 Process Systems Inc. 30 +2 00.255 221 0.5 4.5	236 150 Marris (W) 10p 221 +1 11.35 8.9 0.9 18.4 2 2 2 2 1 1 1 2 2 2	02 80 Http (Norman) 10p
Financial 1034 98 low in led 11pt Unit 288. 192 111, 10.95 10.60 109 989, 0o.11 loc Unit 28. 194 114 10.70 95 78-9 0o.7 loc Unit 289. 834 8.71 11.00 114 994 0o. 12 loc Unit 289. 105 42 12.14 11.70 921 78 0o.7 loc Vi. 94 7.94 7.94 9.12 11.20	145 87 Bodingon: 126 -1 93.25 2.5 3.6 15.3 15.8 15.8 375 Ecron Mathew) 558 +3 914.0 1.7 3.3 23.8 152 152 152 152 152 152 152 152 152 152	840 30 Per Est Speciny Prots. 60 19 245 33 43 10.0 20 136 Empire Stores. 123 +1 425 33 2.5 14.5 14.5 14.5 14.5 14.5 14.5 14.5 14	23 10 Wind Ura Day 90.20. 12	126 Park Foot 100	165
921 78 0. 70.04 71.74 71.34 11.20 11	TES 100	100 100 Fine Art Devs. So	112 77 Scantrols (II) 96 18.16 33 2.4 16.7 16.15 445 Scantrols (II) 615 445 Scantrols (III) 615 445 Scantrols (III) 7250 +10 17.0 4.0 10 19.0 165 50 HSpress (Int. 70 +2 0.2 3.9 4.5 1.5 0.15 1.5 1.5 1.5 1.5 1.5 1.5 1.5 1.5 1.5	126 97 Service & Bridge 10p. 121m - 1 G.O. S.1 3.3 14.2 3 3 3 4 3 3 3 3 3 3	25 -5 25 56 12 1974 25 24 Princeting Assoc. 355+5 18.0 41 15 7.5 55 188 (Historieth Feck. 5p. 193 -2 15 4.4 11 25.4 98 427 28 Wyman 5p. 329 125 6 5.02
40 10 Da. Spr. 25 Boser 26 26 350 17.78	353 277 Suitness 3141,+64 77,283 32 106 112 97 Do Stat Dw Pri 102 -2 5,75% - 7,9 - 112 106 Do Stat Dw Pri 102 -1 08,5% - 6,8 - 1 10 10 10 10 10 10 10 10 10 10 10 10 1	45 88 Heet (Cred) 10p	51 309-Sound Diffus, Sp. 377-2+2 0.55 5 9 1.9 9.4 42 44 450 outliers, Sp. 37	GEO GEO Forman 416 46 5.8 3.2 2.6 22.3 330 2209 10.9 \(\text{col.} \)	00 66 HoferSide Agent St. 10 8 -2 02.154 25 1.8 22.4 03 173 Interventer Net Albr 22 28 5.6 3.3 3.7 11.0 25 27 3.5 4.4 4.8 27 3.5 4.5 2.5 2.5 2.5 2.5 2.5 2.5 2.5 2.5 2.5 2
52 44 Do. for 22 Sch. 8s	375 310 Razattu-Steriftet 353 +23 334 26 13 03.0 1 895 725 Marciousid Martin N 975 +15 122 19 28 235 114 77 Marston Thompson 114 224 31 26 165 7	131- 730 GUS A	205 120 Freiecompania 105 173 -3 180,7514.0 0.6 16.5 155 1205 1206 130	260 138 Watson & Philip 100 153 1 1 158 14 34 191 1 124 125 172 6 125 Westman (Rout 075 223 11 094 4 24 25 172 6 5 5 2 White Sp. 10 15 19 150 2 3 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	103 Albaness & Joyceton 123 -3 411 21 47 145 147 145 147 145 147 145 147 145 147 145
95 87 Leadin (7) 83-88 90 50 522 3.96 150 150 Peri As. 2007 522 972 Turat 9x 1971 992 972 112.00 AMERICANS	233 163 Scott & New 20p	90 120 Alamas Vert 10p 178 155 21 4.4 158 90 74 Jones Ermest 10p 84 -2 83.53 18 5.9 191 90 168 H/Gest Lohal Sp. 7884 11 157 4 32 6 64 111 LCP Hidgs 1825-12 44.5 1.4 3.5 27.3 44 28 Lands 766 20p 47 -2 0.38 4.8 1.1 24.4	299 175 Thorie (F.W.) 10a 258 -1 4.6 4.75 4 1	68 35 Marrico St. Hz Sp. 51 +9 1.2.2 1.5 6.1 15.0 15.7 1	30 22 Katamano 10s 22m+1 13 - 197 35 104 Kato Group 15p 27 19 19 19 19 19 19 19 19 19 19 19 19 19
10mm Lew Stack S - Greek C'er Gr's	BUILDING, TIMBER, ROADS 277 215 IAMEE Stop	56 136 Lee Cooper 256ad+49, 14.2 43 23 10.9 40 645 Liberty 565 645 -10 7.8 3.8 1.7 21.9 40 365 0.5 7.8 3.8 1.5 12.4 229, 21.4 Limited inc \$0.50. 229, 1. 24c - 0.8 - 1. 25 1.6 Liberty 10.9 246 -2 7.0 25 4.0 13.3 25 12.7 24.0 45 3.9 25 12.7 24.0 45 3.9 2.1 27.2 24.0	330 225 Tenetal Group 50 285 45 12.65 0.8 0.8 19.6 19.5 350 206 UE 1 106 337:6 - 1 15.5 3.0 2.3 20.5 272 1772 United 1 106 20 1772 - 20, 6.5 2.0 5.3 12.7 42 20 21 125 United Leading 2.0 15.3 19.0 19.6 19.5 19.6 19.6 19.6 19.6 19.6 19.6 19.6 19.6	226 226 Kennedy Bronies 10p 224 117 11.44 10.99 0.5 13.1 2 2 2 2 2 2 2 2 2	19 20 Kerkaw (A.) 59 286 48 250 46 7.9 (4.0) 29 29 20 10 11 N Seen-E-Ze Hidgs. 21
116-7710 Aurest S1	142 45 **Acces Satelite Sp. 456 41 20 9.0 7.5 9 194 128 **Imple Se Rose: 109 129 129 129 129 129 129 129 129 129 12	20 10 plants (A) 20p	505 320 VC instruments 10p. 433 -2 11.0 11.2 0.6 27.3 2820 225 3260	798 19 Nortali Capital So. 2017 1 102.0 27 17 28.9 1 167 83 Norson Vigtes Sup. 14641 + 62 1624 2.9 2.3 06.9 1 134 892 Pres Enterton Sup. 136 + 1 192.0 2.7 17 28.9 1 104 64 Prince of Water. 87 + 4 + 1.5 - 2.4 17.8 66 48 Oursen Hout So. 482 + 11.33 2.3 3.1 15.8 1 1369 112 00. 7950. Pt. 1.1 125 79. 79. 7.9 - 2 470. 244 byan Houte it Sp. 24 10.5 29 81 55 7	44 Victiones Processin 92 1 2 2 2 2 3 3 17.9 37 Studge Care 86 2 2.0 2.4 3.3 17.9 38 London Francos & laws 46 +2 1.0 2.1 3.0 20.3 38 159 London Intel Mon
204 13-skinder 871-9 31-pVA-rioTecht 55p -2½ 124-7100 RankAmerika S1,2 92-4 134-4 81.48 - 32	32 21 Balley (800) 10p 21m-1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	737 Person 10p. 83 +4 10.7 6.2 1.2 15.9 6.5 80 Press (nam. 10p. 165 -1 1.3.0 3.2 2.9 15.9 10 Press (Alireo) 1.29 +9 3.87 0.4 4.2 90.2 13.9 13.9 13.8 13.8 13.8 13.8 13.8 13.8 13.8 13.8	95 225 Manchesale Fig 10p 255 8,42,0 4,6 11,0 4 4 5 4 5 4 5 5 1 4 5 5 5 1 5 5 1 5 5 1 5 5	75 198 Sanoy N 100 346 35 659 1.4 13.7 7 8 8 97 Sanish 100 7 1 95 11.2 3.1 2.4 16.9 2 14.0 17.0 17.0 17.0 17.0 17.0 17.0 17.0 17	77 179 Cancol & Martin 200 . 49.95 1.6 7.0 11.2 13.0 14.0 15.0 15.0 15.0 15.0 15.0 15.0 15.0 15
220 4810 BASIA Corn		58 111 Da.Cor Con Pf £1 158 - 307 2 5 17 31.6 78 136 Reed Asin W NV 155 44 5.5 21 5.0 13.1 30 S&U Sines 12½ 48 -2 - 3.5 31 34 Da. 31½ 507 12½ 37 32 49 15.0 133 22 3.6 16.7	ENGINEERING 675 265 APV 50s	260 179 AAH 243 +3 7.8 23 45 137 12212 116 AGA AR RES. 519 277 4016% 21 22 27.5 147 AGB RESERVATION 247 677 00 65 1248 129 44 AIM 10p 127 43 65.75 1.7 6.3 133 11 127 143 145.75 1.7 6.3 133 11 128 145 145 145 145 145 145 145 145 145 145	SB 1120 Mandadam C
15 476 reflect Sected 5	Cloth	98 111 Do, Cov Com Pf £1 150	275 275 APV 500 275 -1 4 4 5 172 275 174 Aktres Green 225 +1 8.53 23 53 11.4 440 360 846 & Lacy 390 -1 720.25 1.7 7.3 11.4 9 5 647 187 5 642 1.5 642 1	200 179 AAH 284 +3 7.8 23 4.5 13.7 2212 216 AGA AS R2S 229 47 AGS Research 10p 147 47 46.8 Research 10p 147 47 47 48 48 48 49 47 48 48 48 48 48 48 48	12
303 c.1.Mentot = ma 31253 == 1			,		243 L 47 16 66 223



MUSTRIAL SCOTTOME | 1985 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | 1986 | Financial Times Tuesday October 28 1986 **PROPERTY—Continued** INVESTMENT TRUSTS-Cont. 1015c 12 24 116 0335c \$ 70.7 015c 15 52 -2 10265c 30 132 -10 0150c \$ 122 +21 0450c 1.9 17.0 1000c \$ 13.6 260 | 105 | Benute Minest | 953 | 444 | F.S. Cores. Gold 50c | 240 | 95 | Free State Dev. 10c | 962 | 674 | Harmony 50c | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 | 976 390 706 150 848 346 622 435 547 m 194 1980c 1.0 5.3 487 -3 1955c 5.1 3.5 534 - 200c x 19.1 665 4-5 9135c 25 6.1 510 4-20 9104c 4 6.3 685 4-5 9135c 1.6 6.3 | The content of the SOUTH AFRICANS | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 36 +1 44x+7 17:8 175 100 25 100 105 +15 36 44 17 225 130 130 140 | The strange | INSURANCES Stock Price - Net Cer Sa's Pains Oil 46 +2 51 +4 66 -2 115 +4 62 +2 73 +3 54 -4 | Teas | Section | Teas | Teas | Section | Teas | Teas | Teas | Section | Teas | Tea | 1986 | Stock | Price | Finance | Land, etc | 1986 | Stock | Price | Finance | Land, etc | 1986 | Stock | Price | Finance | Land, etc | 1986 | Stock | Price | Finance | 128 170 79
305 173
201 164
650
370 200
375 169
651
65 60
65 70
166 70
166 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70
176 70 LEISURE | RESIDNAL & IRISH STOURS | The following is a selection of Regional and Irish studies, the latter gooted in Irish correspond | Irish Repet | Irish Far Wast Rand

S. 102 +4 1 15 105

102 +4 1 15 105

102 +4 2 15 105

103 102 +4 3 29 113

104 10 10 10 10 10

104 10 10 10 10

105 10 10 10 10

107 10 10 10 10

108 10 10 10 10

108 10 10 10 10

108 10 10 10 10

109 10 10 10 10

109 10 10 10 10

109 10 10 10 10

109 10 10 10 10

109 10 10 10 10

109 10 10 10 10

109 10 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 10 10

100 10 ## Par Wes | 238 | Bityroor 25c | 238 | Bityroor 25c | 237 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | 247 | "Recent Issues" and "Rights" Page 3
(International Edition Page 35)
This service is available to every Company dealt in an
Exchanges throughout the United Kingdom for a fee of 68
annum for each Security.

Dealings tions Dealings Day
Oct 11 Oct 23 Oct 24 New 3
Oct 27 Nov 6 Nov 7 Nov 17 Oct 27 Nov 6 Nov 7 Nov 17 Nov 10 Nov 20 Nov 21 Dec 1

Composite Insurances continued to trade firmly shead of the forth-

coming quarterly season. GRE added 6 at 837p and General Acci-dent put on 7 at 841p. Sun Alliance

put on 6 at 720p.

Blenheim Exhibition staged a scessful debut in the Unlisted Securities Market; the shares, placed at 95p, opened at 145p but gradually eased back on profittak-

ing to close at 117p, a first-day premium of 22. Leading Breweries put on

decidedly firm performance reflecting often sizeable support

Scottish and Newcastle, greatly enlivened by suggestions thet New Zealand eotrepreneur Ron Brierley has huilt up a noo-disclosable holding, spurted 16½

Leading Buildings closed with small irregular movements following e reasonnhle two-way husiness. Blue Circle, a firm mar-

ket last week on Australien hid rumours, eased 9 to 619p in the absence of any developments. Tar-

mac hardened a few pence to 421p, as did RMC, at 623p. Redland,

however, were a shade cheaper at 381p shead of Thursday's half-timer, while Costain encountered

to 2061/2p.

The UK stock markets came The UK stock markets came through the first day of the Big Bang era satisfactorily, despite problems in the equity sector caused by n temporary breakdown in the Topic system, which carries the price quotations from the Stock Exchange Automated Quotations network (SEAQ) on which the new-style electronic market depends. tronic market depends.

The first two hours of equity trad-The first two hours of equity tran-ing were extremely confused because overloading of Topic pre-vented the electronic system from showing up-to-the-minute price quotations. Many of the new market makers in equities took refuge in restricting their price quotes to n ing were extremely confused because overloading of Topic prevented the electronic system from showing up-to-the-minute price quotations. Many of the new market makers in equities took refuge in restricting their price quotes to n mere 1,000 shares in Alpha stocks, and only 100 in some gamma issues.

But SEAQ was fully restored at 937 am, and traders recovered their confidence as the session progression of the impending dividand season. Allied-Lyons, additionally buoyed by a bullish circular from hrokers de Zoete and Bevan, tonched 363p before settling a net of up at 301p with 1.2m shares truded. Guiness were lively and rose 6 to 314p as 2.7m shares were similar amount to 264p, while confidence as the session progre-ssed. Helped by firmness in gilt-edged, equities moved forward in

edged, equities moved forward in moderate trading.
The FT-SE 100 Index, 14 points up at mid-session, closed a net 9.1 higher at 1586.2, while the FT Ordinary Index climbed 6.2 to 1257.8.
The prohlems with SEAQ boosted trade at Smith New Court, the former jobbing firm, which maintained a high profile on the stock market floor unlike some of its rivals.

oor, unlike some of its rivals. The Bank of England said it was The Bank of England Said It was
"very satisfied" with the first day
of trading in Government honds
under the new market system.
Here again, SEAQ price reporting
was scanty, hut the trading houses
operated very successfully by
means of their Inter Dealer
Englar screens.

roker screens.

At 340p. after 348p. following further demand in a restricted diged prices staged a strong turmarket. Phoenix Timber bardened Turnover was moderate hut giltedged prices staged a strong turnround from early weakness.

After showing early losses ranging
from % of a point, the longer dates
closed with gaios of % or 50.

Traders found difficulty in identifying the factors underlying the

group F. J. C. Lilley resumed tifying the factors underlying the group F. J. C. Lilley resumed market's firmoess amid the genefollowing the interim statement; the price moved ahead from the suspension level of 24p to close at 31p on relief that the company's

Worries, over domestic interest worries, over domestic interest 31p on reflex that the company a rates, as well as over the problems hankers will continue to provide for the Thatcher Government existing loan facilities despite the for the Thatcher Government following the resignation of the deputy chairman of the Cooservalive Party, were scothed by a steady performance by the pound.

Mercury up again

Mercury up again

Mercury up again

existing loan tactitues despite the group's major overseas problems. Among Chemicals, Laporte found support at 392p, while Coates Brothers gained 6 to 155p ahead of Thirsday's half-timer. Realrowk attracted revived

Merchant banking conglomerate of 107p and Blagden Industries of 107p Mercury up again
Merchant banking conglomerste
Mercury International, which adv-

Gilts and equities close firmly despite early problems

with market reporting systems

FINANCIAL TIMES STOCK INDICES												
	Oct	Oct.	Oct.	Oct.	Oct.	Oct. year	1986		Since Compilation			
	27	24	23	22	21	890	High	Low	High	Low		
Government Secs	82.37	82.53	82.30	82.89	82.56	83.60	94.51 118/41	80.39 20/1	127.4 (9/1/15)	49.1,8 (3/1/75)		
Fixed Interest	88.76	88.81	88.75	89.02	88.94	89.52	97.68 (7/7)	86.55 (23/1	105.4 (28/11/47)	50.53		
Ordinary 🕈	1,257.8	1,251.6	1,249.9	1,262.4	1,265.2	1,048.6	1,425.9	1,094.3	1,425.9	49.4 126/6/40)		
Gold Mines	269.6	262.9	277.2	286.6	290.5	252.3	357.8 (22/9)	185.7 1871	734.7 115/2/831	43.5		
Ord. Olv. Yield	4.45	4.46	4.46	4.41	4,40	4.59	12271		TIVITY	(201011		
Earnings Yld.% fulf)	10.27	10.29	10.28	10.15	10.11	11.23	Ipp	ilces	Oct. 24 -	0et 23		
P/E Ratio (pet) (*)	11.93	11.90	11.93	12.08	12.12	10.99	Gift Edged	Bargains	91.3	113.9		
Equity Turnover £m	— i	735.68	654.97	616.10	531.51	441.57	Equity Barg	ains	209.9	224.9 1323.9		
Eguity Bargalas	_	32,398	34,708	30,890	38,732	23,277	Equity Valu 5-Day Aver		1487.0	1323.9		
Shares Traded Intil	-	349.6	315.8	319.93	284.93	230.7	Gilt Edged	Bargales	108.3 234.5 1299.3	112.4 256.2 1334.6		
	10 a.m. 1256.0	11 12	a.m. 58.3	Noon 1260.3		p.m. 261.9	2 p.m. 1262.		p.m. 258.3	4 p.m 1256.		
Day's High 126	25. D	ay's Low	1256.0.									
	Basis 100 Govt. Secs 157.0/26, Fixed Int. 1928, Ordinary 1/7/35, Gold Mines 12/9/55, SE Activity 1974 *NII=11.46.											

at 200p. Dixons put on 5 at 349p and Next hardened a penny or so ot 250p; the latter's annual results are scheduled for tomorrow. Elsewhere, the volatile 6umrie Clethes closed 5 better at 35p in response to the interim profits recovery and Allebone reflected newspeper comment with an improvement of 2 at 55p. Speculative buying lifted Alfred Preedy 9 to 129p and Can-

tors "A" 4 to 128p.
A week-eod Press report that A week-eod Press report that substantial orders for its holographic technology are doe to be announced in the wake of an institutional visit to the company last week hnoyed Applied Holographics which advanced strongly to close 28 higher at 313p and the warrants 55 up at 275p. A previous warrents 55 up at 275p. A revival of takeover speculative helped United Scientific rise 6 at 141p, while United Leasing gained 10 to 155p. following Press, so myent while United Leasing gated to to 153p following Press comment. Specultive huying lifted Molyax 11 to 96p and Microlease 16 to 130p. Klark-Teknik reflected the lower profits with a fall of 6 to 67p and Electrocomponents fell 14 to 374p on persistent small selling and lack of support. Cable and Wire-less highlighted the Electricals majors, rising 14 to 328p during the course of a good husiness when nearly 5m shares changed hands, Although British Telecom and Plessey were actively traded with around 6.5m shares transacted in both, the close was only e

penny dearer at 185p and 177p respectively. respectively.

Hawker, a depressed market last week following the disappointing interim figures, staged e welcome rally and closed 9 better at 418p. Other leading issues were inclined easier in quiet trading. Elsewhere, interest was shown in Glynwed, which put on 9 to 289p, selling and closed 14 de annount. and Davy Corporation, 4 better at 139p. G. M. Firth were also

favoured and closed 81/2 higher at 73½p. Week-end Press mention prompted a rise of n few pence to 156p in Braithwaite. Carcle, which made an agreed bid for Jonas Woodhead last week, rescted 30 to

LONGON REPORT AND LATEST SHARE INCEX: TEL. 01-246 8026

ral noteworthy movements. North-era Foods figured prominently, rising 13 to 285p on rumours of a broker's circular and Press suggestions of a possible hid from Hillsdown Hilding. Tate and Lyle were also firm, at 556p, while Rowntree Mackintesh improved 7 to 400p. Cadbury Schweppes added 6 to 187p and Unigate 4 to 390p. Among Retailers, J. Sainsbury set-Among Retailers, J. Sainsbury settied a penny cheaper at 395p as
some 8.2m shares changed hands.
Tesce firmed 6 to 416p awaiting
tomorrow's interim results, while
recently-dull Dee Corperation rallied strongly to close 10 higher at
211p. Albert Fisher gained 7 to
210p and Argyll added 6 to 311p.
Elsewhere, Park Foods firmed 4 to
150p in reply to Press comment,
while J. E. England gained 10 to
61p following renewed demand in 61p following renewed demand in a restricted market.

Trusthouse Forte traded briskly amid reports of Australian huying and closed 9 higher at 164p. Grand Metropolitan hardened 4 to 440p. Elsewhere in Hotels and Caterers,

rapid decline in sales in the UK market for automotive components. Pearson, in contrast, featured a fresh gain of 16 at 571p on continuing speculaion that Hutchisoo Whampoa had increased its stakes in the company, but the lack of any takeover developments prompted a reaction of 10 to 507p in Filkington Hargrewes ended 5 off at 265p following news that the board had recommended the Coalite offer. Peek Holdings, reflecting hopes of acquisition news, advanced 5 to 50p, while weakend Press mentiou enlivened interest in Gestetner which rose 7½ rapid decline in sales in the UK interest in Gesteiner which rose 71/2 interest in Gestetner which rose 7½ to 106½. GEC cotract hopes prompted a rise of 23 to 171p in USM quoted Platon. Welseley traded firmly at 563p, up 12, awaiting today's preliminary statement. Suggestions of a consortium bid left Lendon and Northern a few pages higher at 77p after 80p. left Lendon and Northern a few pence higher at 77p, after 80p. Diploms, in contract, were dull at 159p, down 9, while Sterling Industries reacter 15 further to 135p. Among the leaders, Hason Trust were actively traded—5.8m shares changed hands—following a Press suggestion that it is poised to make yet another mega-bid, hut closed little altered at 194½. Beecham edged up 4 to 419½ on the other hand, Glane drifted off to close 10 cheaper at 910p.

cheaper at 910p.
Television issues gave another

LONDON TRADED OPTIONS

weekend positions. Profit-taking took its toll of last week's high-flier Ecasion Consolidated Gold-fields, finally 18 lower at 405p.

MEPC, to 346p. Great Portland week on consideration of the Estates were fically 5 higher at 181p and Hammerson A improved price, made fresh progress, although this was largely attributed up 5 to 375p, while Allied London hardened a coople of peace to 72p in reply to the 21 per cent annual profits expansion and confident statement. Southend Stadium Tins, firmer throughout last

Traded Options

attracted fresh support ahead of tomorrow's interim results and closed 7 higher at 204p, while Chesterfield, half-timer due todey, Relatively subdued conditions prevaled in Traded Options. Hansen Trust remained lively, bowever, with 1,935 calls transacted, while operators also displayed enthusiasm for Cable and rose 10 to 440p.

British and Commonwealth con tinned to draw attention in the Shipping sector, rising 8 further to 314p, with investors pinning their hopes of expansion following the

Gunn as chief executve. Caledonia Investments, which holds a size-able stake in the group, rose 6 to Oils trade quietly

recent appointment of Mr John

Oils trade quietly

Oils passed an uneventful session and, after fluctuating narrowly for most of the day, drifted easier reflecting the lower opening trend on Wall Street BP, after early progress to 659p, slipped back to close 6 firmer on balance at 654p. Shell finished 4 off at 894p and Britell softened a penny to 129p. Elsewhere, KC Gas firmed 6 to 574p awalting further bid development, but Coursy Petreleum gave up 15 to 263p in the nbsence of further buying interest. Press comment sparked support for Aran Energy which gained 10 to 26p.

26p. South African mining markets staged e minor rally—the first for four trading sessions—largely reflecting currency influences. A slightly firmer showing by the Financial Rand against the dollar stimulated "cheap" buying from Johanneshurg, which in turin prompted a sympathetic response from Swiss and other Continental sources. London and New York sources. London and New York operators. however, again appeared content to remain on the aidelines, as worries over the current political situation in the Repnhlic were exacerbated by reports of strike action by hlack workers at Gold Field's Deelkraal, Doornfontein and Kloof mines. Nevertheless, support proved to be sufficient to lift the FT Gold Mines index 6.7 to 269.6. Bullion, sharply lower last Fri-

Bullion, sharply lower last Fri-day, gave further modest ground yesterday to close \$1.25 off et cheaper at 910p.

Television issues gave another performance of the board's optimistic view of current trading prospects.

BBA fall afresh the miscellaneous industrial sector recorded e number of outstanding movements. BBA, sharply lower in the previous trading session on a broker's downgraded profits forecast, met with renewed selling and closed 14 down at 1299 following the announcement of rationalisation moves owing to the same at 910p.

Television issues gave another the property to the board's publicity given to a hroker's circular and rose 19 to 384p. Themes TV firmed 7 to 289p and LWT moved up 6 to 429p in markets and the poor performance of the domestic dollar. Contract by British Land which spurted from an opening level of lifety to close \$1.25 off et \$409.75 an ounce.

Australian Golds, in sharp contract to 189p and LWT moved up 6 to 429p in markets and the poor performance of the domestic dollar. Contract by British Land which spurted from an opening level of lifety to close \$1.25 off et \$409.75 an ounce.

Australian Golds, in sharp contract the property leaders gave estimated to the poor performance of the domestic dollar. Contract by British Land which spurted from an opening level of lifety to close \$1.25 off et \$409.75 an ounce.

Australian Golds, in sharp contract the property of the domestic dollar. Contract by British Land which spurted from an opening level of lifety to close \$1.25 off et \$409.75 an ounce.

Australian Golds, in sharp contracts the property of the domestic dollar. Contract by British Land which spurted from an opening level of lifety of the domestic dollar. Contract by British Land which spurted from an opening level of lifety of the domestic dollar. Contract by British Land which spurted from an opening level of lifety of the domestic dollar. Contract by British Land which spurted from an opening level of lifety of the domestic dollar. Contract by British Land which spurted from an opening level of lifety of the domestic dollar. Contract by British Land which spurted from an **Traditional Options**

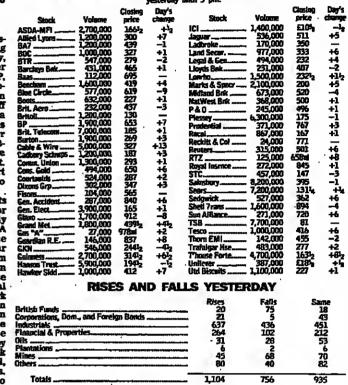
Oct 20 Nov 3 Nov 17 Last dealings Oct 31 Nov 14 Nov 28 Last declaration Jan 22 Feb 5 Feb 19 Feb 2 Feb 16 Mar 2 For rate indications see end a

> Money was given for the call of Amstrad, Kennedy Brockes, Beabrook, "The Times" Vencer, Abaco Lavestments, Cadbury Schweppes, Sears, Helical Bar, Gestetner, Ryan International, F. J. Minerals, Seatchi and Seatchi, Polly Peck, Riley Leisure, Hillsdown, TSB, London Hillsdown, TSB, London International and F. H. Tomkins No puts were reported, but doubles were transacted in Oil Search, Amstrad, Kennedy Brooker and Highes Food.

Wireless calls, with 1,260 trades done. Total contracts struck amounted to 18,033.

Unit Trust Service

TRADING VOLUME IN MAJOR STOCKS



NEW HIGHS AND LOWS FOR 1986

EUROPEAN OPTIONS EXCHANGE

104387105 | 385

1.60 16.50 11.90 7.508 4.60 2.40 1.40A 1.20 4.30 4.30 10.308

200 10.500 10.5120 5.5707 4.130 4.170 1.280 5.200 3.100 2.46

8 = Bid

BASE LENDING RATES

Citibank NA
Citibank Savings
City Interchants Bank
Cydesdale Bank
Comm. Bl. N. East
Consolidated Cred
Co-operatine Bank

Co-operative Bank 11
Cyprus Popular Bk 11
Duncan Lawrie 11
E. T. Trost. 12
Equator'i Tst C'p ple 11
Exeter Trust Lod. 111
First Nat. Fin. Corp. 11
First Nat. Fin. Corp. 11
Rebert Finder 6 Ptrs 12
Grindlays Bank 11

Goirmess Mattoe 11

HEC Trust & Santags. 11

Hambro Bank 11

HFC Trust & Sandares. 11

Harnbro Bank. 11

Heritable & Gen. Yet. 11

HIW Sanneel. 911

C. Hoare & Co. 11

Hongkong & Shangh' 11

Hongkong & Shangh' 11

Loyde Bank. 11

Mace Westpar Ltd. 11

Middand Bank. 11

199 - 199 -

448 27A 18.90 10.508 7A 3.30

Debfor, Hetere of London, Liberty, Do. N. 122,pcl.n, TRUSTS V. Stormeint, Withsfehour, ELECTRIC General, Shrees inv. Call.5 (8) Benistron Intl., Deshitist A. (2) ELP-(UK) 122,pc Goring, Real, Micro Scope, Occoules, roleum.

SILVER I SIFL C SIFL P SIFL P SIFL P SIFL P

ABN C
ABN P
ABGN C
AEGN C
ALEGN P
AH C
AH C
AH C
AH C
C
AMEV P
AMEV C
AM

ABIN Bank
Adjun & Company
Alfied Arch Bit Lift
Allied Dunbar 6 Co
Allied Urbin Bank
American Exp. Bik
Augus Bank
Henry Asstacter
ANZ Banking Group
Associates Cap Corp
Bank Bank
Bank Leanni (UK)
Bank Leanni (UK)

Bank Lewel (UK)
Bank Credit & Comm
Bank of Cyrons
Bank of Cyrons
Bank of Leebard
Bank of India
Bank of Scotland
Berliers Bank AG
Bith. Bit. of Mid. E-St.
Bith. Bit. of Mid. E-St.
Briver Saiptey
Ct. Bank Nederland
Cayasta Permanent
Cayas

\$550 FL335 FL215 FL225 FL230 FL235 FL240 FL215 FL220 FL225 FL235 FL240 FL235 FL240 FL246

R1500 368
R2500 24
R1000 24
R1000 65
R1500 37
R1000 302
R1400 302
R1400 302
R1500 20
R1400 302
R1500 20
R1400 302
R1500 100
R1400 100
R1

NEW HIGHS AND

NEW HIGHS (134)

LUANS (1), AMERICANS (6), CANABIANS (2), BARKS (2), BREWERS (4),
BUILDINGS (4), CHEMICALS (7),
ENGINEERING (7), FIDDIS (1),
HOTELS (2), INDUSTRIALS (18), LESSURE (6), MOTORS (2), NEWSPAPERS (3), PAPER (5), PROPERTY (9),
SHIPPING (1), SNOES (2), TRUSTS
(29), 01LS (3), PLANTATIONS (3),
MINES (2).

BANKS (2) Cater Allen, MCorp, BUILBINGS (1) Aberdeen's Construction;
CNEMICALS (1) Morcau, STORES (6)
Design, Hedge of London, Liberty, Do. N. 123, pcl., TRUSTS (1) Gaskel BroadTomport, Hedge of London, Liberty, Do. N. 123, pcl., TRUSTS (2) Electrical &
TV, Storinging, Windschold, ELECTRIS.

(2) ELF (UN) 324, pcl.n., Marinex Pet-

26 10.10 7A 9

14.90 11.50

FI.104 FI.144.80

FI.72.60 FI.90

FL166

FL63_10 FL45.70

FL77.70

F1.46-90 FL196

] 11]]] 2 [3]

3.506 3.20 3.50 9.30 295

Mat Credit Corp. Ltd.... Nat Bk. of Krwait National Geobask

Nat Westminster 11
Norwich Gen, Trust. 11
Norwich Gen, Trust. 11
PK Fasons, Intl (UK) 11
Proteincial Trust Ltd. 12
R. Raghael & Sons. 11
Royal Bit of Scotland. 11
Royal Tst Co Canadia 11
Royal Tst Co Canadia 11
Royal Contented 11

Royal Tsi Co Canada 11
Standard Chartered 11
Trustee Savings Rok 11
UBT Mortgage Eng. 150,9
Uoited Bk of Kuwait 11
United Mitzahl Bank 11
Uwings Briding Corp 11
Westpace Briding Corp 11
Whiteoway Laidten 111/2
Yorkshire Bank 11

Members of the Accepting Houses Contentiee 7.70
Houses Contentiee 7.70
Loy Tor—E2,500+ at 3 months' motice 9.72%. At call, when £10,000+ remains deposited. \$ Call deposited. \$ Call of Call United \$ Call Unit

ER-THF

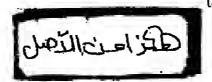
FT-ACTUARIES INDICES These Indices are the joint compilation of the Financial Times. **EQUITY GROUPS**

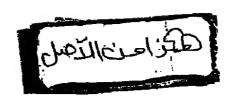
	& SUB-SECTIONS	Monday October 27 1986						0ct 24	0ct 23	0ct 22	(approx.)
F	gures in parentheses show number of stocks per section	Index No.	Day's Change %	Est. Earnings Yield% (Max.)	Gress Div. Yield% (ACT at 29%1	Est. P/E Ratio (Net)	nd adj. 1986 to date	Hadex No.	Index No.	Index No.	index No.
ī	CAPITAL 6000S (211)	643.50	-0.3	9.47	3.97	13.40	15.51	645.27	645.00	649.38	556.20
2	Bullding Materials (27)	775.46	_	9.36	3.78	13.49	17.46		766.97	769.23	624.78
3	Contracting, Construction (30)	1080.16	-	8.24	4.33	16.62		2079.59	1092,67	1088.69	
4	Electricals (12)	1723.64	-0.2	8.42	4.85	15.40	53.27	1726.82	1729.75	1744.50	1579.02
5	Electronics (38)	1393.06	-0.2	10.17	2.92	13.10		1396.24			
6	Mechanical Engineering (60)	355.72	+0.1	11.07	4.63	11,52	9.79		358.31	359.63	324.31
8	Metals and Metal Forming (7)	328.10	+0.5	9.73	4.29	12.93	7.39				
9	Motors (161	253.63	-1.9	10.39	4.01	11.19	5.67				
10	Other Industrial Materials (231	1180.79	-0.5	7.57	4.57	15.66	29.58			1212.73	
21	CONSUMER GROUP (185)	913.04	+0.8	8.18	3.38	15.41	16.70		903.27	912.65	
22	Brewers and Oistillers (22)	919.28	+1.6	9.55	3.50	12.87	14.91			908.04	
25	Food Manufacturing (241	699.33	+1.1	9.58	3.98	13.59	14.49		693.08		550.38
26	Food Retailing 1161	1882.06	+1.3	6.20	2.75	22.44		1857.70		1886.01	1695.07
27	Health and Household Products (10)	1477.08	-0.2	6.58	2.57	18.42	12.84		1485.15		
29	Leisure (271 Publishing & Printing (15)	914.83	+1.4	8.11	4.46	16.36	25.08		894,46		734.65
12	Publishing & Printing (15)	2434.74	+0.7	7.63	4.55	16.98	55.86	2416.67			
13	Packaging and Paper (14)	455.86	-	7.41	3.61	17.55	10.54	455.84	457.19	460.76	372.61
34	Stores (381	856.19	+0.9	6.84	3.01	19.81	13.98	848.95	840.12		788.41
35	Textiles 171	518.55	+0.7	9.87	3.80	11,72	10.11				362.66
36	Tobaccos I2)	1226.89	_	13.47	4.22	8.16	36.99	1226.56	1213.35		
41	OTHER GROUPS (87)	767.06	+0.6	8.78	4.17	14.68	17.35		757.20	764.46	708.51
42	Chemicals (201	974.87	-0.2	9.01	4.44	13.49	29.09		977.A3	992.39	703.86
44	Office Equipment (4)	241.36	+0.6	7.70	4.41	15.71	7.55				221.96
45	Chemicals (201	1494.24	+0.2	8.10	4.42	15.74		1491.32			1342.62
47	Telephone Networks (2)	755.40	+1.3	11.35	4.87	12.04	16.67	745.35	732.77	739.06	883.13
48	Miscellaneous (48)	1069.98	+0.5	6.33	3.19	19.85		1064.44			892.04,
49	INOUSTRIAL GROUP(483)	812.99	+0.5	8.64	_ 3.71	14.70	16.85	809.05	896.45	813.96	696.73
51	01 & 6as (37)	1340.58	+0.4	12.19	6.68	10.11	62.40	1335.59	1357.37	1383.14	1160.63
59	01 & Gas (17)	857.72	+0.5	9.06	4.06	13.95	20.44		852.90		
:	FINANCIAL GROUP (118)	600.12	+0.6		4.72		16.78		592.36	594.92	518.91
52	Banks (81	646.66	-	19.47	5.66	7.05	23.94		642.09	650.15	510.53
55	Insurance Life 19	805.74	+0.5	122	4.83			801.35	795.64		796.78
56	Insurance (Composite (7)	480.75	+0.6	=	4.52] =	10.93	478.01	470.87	469.23	401.28
57	Insurance (Brokers) (9)	1262.81	+0.9	7.79	4.10	26.79		1251.61			1221.81
68	Merchant Banks (12)	341.72	+1.1	· ···	420	10.77		337.94		331.46	272.27
69 I	Ontorty (40)	782.38	+14	5.76	3.60	22,78	14.35	771.81	772.15	769.66	694.84
70	Property (49)	354.11	+1.5	9.09	4.45	13.38		348.83		346.75	306.65
7	Investment Trusts (99)	803.68	+0.2		2.83		13.75	801.72	802.91	805.53	627.20
		324,79	+0.4	9.67	4.94	12.16	11.30	323.34	325.29		
B1	Mining Finance (2) Overseas Traders (13)	732.35	+0.5	10.54	6.01	11.33	27.22			327.77	253.98
91			_	162		17.33		728.80			594.75,
99	ALL-SHARE INDEX (732)	787.28	+0.5		4.24	_	19.21	783.44	782.10	789.16	672.51
_				B - 4-			-				
		Index	Day's	Day's	Day's	Oct	Oct	Oct	Oct	Oct	Year
		No.	Day's Change		Low Day's	0ct 24	0ct 23	0ct 22	0ct 21	0ct 20	Year ago

	FIXED INTEREST						AVERAGE GROSS REDEMPTION YIELDS	Mon Oct 27	Fri Oct 24	Year ago (approx.)
PRICE INDICES	Mon Oct 27	Day's change	Fri Oct . 24	xd adj. today	xd adj. 1986 to date	1 2 3	British Government Low 5 years	9.84 10.40 16.40	9.78 10.38 10.39	9.87 10.10 10.12
British Gove 1 5 years 2 5-15 years 3 Over 15 yea 4 irredeemak 5 All stocks	118.81 129.02 rs 134.68 les 146.47	+0.01 -0.17 -0.17 +0.06 -0.11	118.79 129.23 134.91 150.83 127.83	- - 4.45 0.04	9.57 21.61 21.43 13.34 11.01	4 5 6 7 6 9	Medion 5 years 15 years 15 years 15 years 16 years 17 years 1		11.19 10.75 10.40 11.28 10.94 10.51 10.16	16.70 10.44 10.13 10.79 10.58 10.27 9.72
Index-Link 6 5 years 7 Over 5 year 6 Ali stocks	ed 113.01 110.34	+0.06	112.95 110.20 110.61		2.00 2.84 2.69	12 13 14	Index-Linked Inflat'n rate 5% 5 yrs Inflat'n rate 5% Over 5 yrs Inflat'n rate 10% 5 yrs inflat'n rate 10% Over 5 yrs	437 3.82 2.95 3.65	4.39 3.82 2.96 3.65	0.00 0.00 0.00 0.00
9 Debentures &	Leans _ 110.99	+0.38	111.71	1.15 0.25	9.81 5.41	16 17	Delis & 5 years	11.58 11.57 11.57	11.65 11.59 11.53	11.13 11.13 11.13

ing lodex 1583.3; 10 am 1585.3; 11 am 1587.6; Noon 1589.6; 1 pm 1590.9; 2 pm 1591.5; 3 pm 1588.3; 3.30 pm 1585.1; 4 pm 1584.6

CALLS CALLS Apr. July 42 52 28 57 17 22 140 — 163 78 33 50 142 — 142 — 84 102 54 72 122 80 45 20 30 14 41₂ 11₂ 1 2 18 36 56 85 54 27 47 33 22 51 38 25 16 -75 45 -28 1429 | 1431 | 6 13 24 7 13 22 42 10 17 27 35 10 22 40 18 38 2150 2500000 58 45 26 13 6 3 8 19 32 55 32 22 13 5 18 38 58 90 63 42 22 192 147 105 70 43 27 4 7 13 30 57 90 2 617 35 11 30 - 8 23 65 8 20 98 11 8 25 42 39 17 a 55 36 28 18 8 16 30 52 Marks & Spen. I *201) 70 90 13 95 70 48 80 53 30 188 138 102 70 40 51 33 23 95 35 110 90 60 40 90 24 107 72 43 51 42 24 33 42 14 23 31 6 14 22 82 12½ 15 42 8 10 114 4 — 32 15 6 88 65 47 33 11/2 11/2 11/2 5 23 59 99 17 30 53 93 70 43 77 52 34 330 350 390 420 420 450 550 82 54 32 65 40 22 E 13 27 55 0ct. Nov. 0cc. Jan. 0cc. 65 82 --- 1 40 65 75 92 2 18 47 57 72 8 6 33 45 58 24 2 20 33 48 41 1 12 25 -- 68 01₂ 8 17 95 0₂ 5 13 -- 120 28 36 52 67 1 5 17 43 50 28 18 30 23 18 14 23 18 12 8





WORLD STOCK MARKETS

AUSTRIA GERMANY NORWAY Price + or Oct. 27 Price + or Oct. 27 Price + or Oct. 27 Kroner - Oct. 27 Aust. 6 - Oct. 25 Yen -	CANADA
Creditrierit pp 2,946 -98	Sales Stack Righ Law Chem Damp Sales Stack Right Law Chem Damp Sales Stack Righ Law Chem Damp Sales Stack Right Law Chem D
Stockmann '8' 133 -2 FRANCE UBF '0'	Indices
Cell Str. Cell	NEW YORK
Crite TP 2.84 14 191 497 ₈ 435 ₈ 435 ₈ - 1 ₈ Reputh 400 652 43 425 ₄ 43 + 1 ₈ Street 14 518 518 1518 1518 1518 1518 1518 151	Sandyser 8,725,080 48% +4 Chen Hen 1,588,880 35% -74 WORLD 1,487,590 25% such Barrough A 2,294,490 53% +7% Asses Store 1,299,789 54 +1% S. Capital Intl.(U1/70) — 329.5 555.8 557.7 550.8 (1/8) 249.8 (2311) M.S. Capital Intl.(U1/70) — 329.5 555.8 557.7 550.8 (1/8) 249.8 (2311) M.S. Capital Intl.(U1/70) — 329.5 555.8 557.7 550.8 (1/8) 249.8 (2311) M.S. Capital Intl.(U1/70) — 329.5 555.8 557.7 550.8 (1/8) 249.8 (2311) M.S. Capital Intl.(U1/70) — 329.5 555.8 557.7 550.8 (1/8) 249.8 (2311) M.S. Capital Intl.(U1/70) — 329.5 555.8 557.7 550.8 (1/8) 249.8 (2311) M.S. Capital Intl.(U1/70) — 329.5 555.8 557.7 550.8 (1/8) 249.8 (2311) M.S. Capital Intl.(U1/70) — 329.5 555.8 557.7 550.8 (1/8) 249.8 (2311) M.S. Capital Intl.(U1/70) — 329.5 555.8 557.7 550.8 (1/8) 249.8 (2311) M.S. Capital Intl.(U1/70) — 329.5 555.8 557.7 550.8 (1/8) 249.8 (2311) M.S. Capital Intl.(U1/70) — 329.5 555.8 557.7 550.8 (1/8) 249.8 (2311) M.S. Capital Intl.(U1/70) — 329.5 555.8 557.7 550.8 (1/8) 249.8 (2311) M.S. Capital Intl.(U1/70) — 329.5 555.8 557.7 550.8 (1/8) 249.8 (2311) M.S. Capital Intl.(U1/70) — 329.5 555.8 557.7 550.8 (1/8) 249.8 (2311) M.S. Capital Intl.(U1/70) — 329.5 555.8 557.7 550.8 (1/8) 249.8 (2311) M.S. Capital Intl.(U1/70) — 329.5 555.8 557.7 550.8 (1/8) 249.8 (2311) M.S. Capital Intl.(U1/70) — 329.5 555.8 557.7 550.8 (1/8) 249.8 (2311) M.S. Capital Intl.(U1/70) — 329.5 555.8 557.7 550.8 (1/8) 249.8 (2311) M.S. Capital Intl.(U1/70) — 329.5 555.8 557.7 550.8 (1/8) 249.8 (2311) M.S. Capital Intl.(U1/70) — 329.5 555.8 557.7 550.8 (2311) M.S. Capital Intl.(U1/70) — 329.5 555.8 557.7 550.8 (2311) M.S. Capital Intl.(U1/70) — 329.5 555.8 557.7 550.8 (2311) M.S. Capital Intl.(U1/70) — 329.5 555.8 557.7 550.8 (2311) M.S. Capital Intl.(U1/70) — 329.5 555.8 557.7 550.8 (2311) M.S. Capital Intl.(U1/70) — 329.5 555.8 557.7 550.8 (2311) M.S. Capital Intl.(U1/70) — 329.5 555.8 557.7 550.8 (2311) M.S. Capital Intl.(U1/70) — 329.5 555.8 557.7 550.8 (2311) M.S. Capital Intl.(U1/70) — 329.5 555.8 557.7 550.8 (2311) M.S. Capital Intl.(U1/70) — 329.
Pacci 1.40 19 200 41 454 455 + 52	TOWNITO Dot Dot Dot 1868 1869 1
Patricos 49 134, 134 134 134 1 1 1 1 1 1 1 1 1 1 1 1 1 1	NYSE COMPOSITE CLOSING PRICES 12 Month High Low Stack 20te, Val. E 100s High Low Stack 20te, Val.
PerpSpl 84 539 131 127 13 - 1 Shauler 50 151874 391 385 39 - 5 Teams 20m 12 7 119 119 119 - 11 Votant 773 0251 241 2514 - 11 Petrite 1.12 17 51 2512 2514 2514 2514 114 SelCot 19 11 91 91 91 91 Petrite 1.12 17 51 2512 2514 1914 1614 - 1 SelCot 19 11 91 91 91 91 Petrite 1.12 17 51 2512 2514 1914 1614 - 1 SelCot 19 11 91 91 91 91 91 161 25 2792 2019 1919 1919 1919 1919 1919 1919 19	Continued from Page 45 Site 376 were pizzo 5.5 30 51 506 506 506 506 506 506 506 507 68
AMSTERDAM/DELFT/EINDHOVEN GRONINGEN/THE HAGUE/HAARLEM/HEEMSTEDE/	BONN/COLOGNE/DUSSELDORF/ESCHBORN/ FRANKFURT/HAMBURG/HESSISCHE BERGSTRASSE/ HOEGHST/MUNICH/OFFENBACH/RUESSELSHEIM/ GERMANY

HAND DELIVERY SERVICE

10 : A1

AMSTERDAM/DELFT/EINDHOVEN
GRONINGEN/THE HAGUE/HAARLEM/HEEMSTEDE/
LEIDEN/LEIDERDORP/OEGSTGEEST/
RUSWUK/ROTTERDAM/UTRECHT/WASSENAAR

Your subscription copy of the FINANCIAL TIMES can be hand-delivered to your office in the centre of any of the cities listed above.

For details contact: Richard Willis. Tel: 020 239430. Telex: 16527.

THE NETHERLANDS HAND DELIVERY SERVICE BONN/COLOGNE/DUSSELDORF/ESCHBORN/ FRANKFURT/HAMBURG/HESSISCHE BERGSTRASSE/ HOECHST/MUNICH/OFFENBACH/RUESSELSHEIM/ STUTTGART/VIENNA

Your subscription copy of the FINANCIAL TIMES can be hand-delivered to your office in the centre of any of the cities listed above.

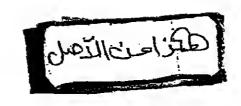
For details contact: Bernd Wokurka. Tel: 069 75980. Telex: 416193.

GERMANY & AUSTRIA

NEW YORK STOCK EXCHANGE COMPOSITE CLOSING PRICES

7/ Signature | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 Sinck Div. Yild. E
Glusse a 206 5.6 6
Ghase p 52.5 5.6 1.1
Cheles 2.2 2.5 11
Cheles 2.2 2.5 11
Cheles 2.2 2.5 11
Cheles 2.2 2.5 11
Cheles 2.2 2.7 36
Chele p 4.8 6.3
Chele p 2.4 11
Cheles 2.3 2.1
Chele p 2.4 11
Cheles 2.3 2.1
Chele p 2.4 16
Chele p 2.4 16
Chele p 2.3 2.2
Chele p 2.4 16
Chele p 2.3 2.3
Chele p 2.4 16
Chele p 2.3 2.3
Chele p 2.4 16
Chele p 2.3 2.3
Chele p 2.4 2.3
Chele p 2.4 16
Chele p 2.3 2.3
Chele p 2.4 16
Ch 15 852 55
2.0 4 875 815
11. 14 24 117
1.3 5 6 187
1.8 15 154 411
2.5 270 55
5 87
458 194
2.2 18 440 8112
9 801 2515
1. 1 28 100 2515
1. 1 28 100 255
1. 1 28 100 255
2. 1 351
2. 2 351
2. 2 351
2. 2 351
2. 2 351
2. 2 351
2. 2 351
2. 2 351
2. 2 351
2. 2 351
2. 2 351
2. 2 351
2. 2 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 351
2. 3 Merch 1 1.5 12
Merch 1 1.5 12
Merch 1 2.9 16
Mescal 1 2.9 16
Mescal 1 2.9 16
Mescal 1 3.6 3.8
Mescal 1 3.6 3.8
Mescal 1 3.6 6.9
Mescal 1 3.6 6.9
Mescal 1 3.6 6.9
Mescal 1 3.6 6.9
Mescal 2 3.6 6.9
Merch 2 3.6 6.3
Merch 2 3.6 6.3
Merch 2 3.6 6.3
Merch 2 3.6 6.3
Merch 3 3.6 6.3
Merch 2 3.6 5.3
Merch 2 3. Kidder, Peabody Securities Market Makers in Euro-Securities 173 251 61 2 41 141 35 111 Founded 1865 . Member SIPC New York . London . Paris . Geneva . Zurich . Hong Kong . Tokyo

طتزام ن الدّمل



I AMEY COMPOSITE CLOSING DDICES

Financial Times Tuesday October 28 1986 ØØ NYSE COMPOSITE CLOSING PRICES	AMEX COMPOSITE CLOSING PRICES
NYSE COMPOSITE CLOSING PRICES A	

FINANCIAL TIMES WORLD STOCK MARKETS

WALL STREET

Dissuaded by auctions and dollar

PICKING up from a listless morning, stock and bond prices drifted higher on Wall Street yesterday afternoon in a trendless session, writes Roderick Oram in New York. A number of questions ranging from

the direction of the dollar and the effect of heavy forthcoming Treasury auctions kept trading to a minimum in the bond

markets.

The Dow Jones industrial average rose 9.56 points to 1,841.82 but the gain was heavily influenced by Goodyear which jumped \$4% to \$48% on takeover speculation. Almost 13m shares, representing nearly 12 per cent of its common stock changed hands on the New York Stock Exchange yesterday.

The NYSE composite index rose 0.3 of a point to 137.58 with trading volume eased to 133.77m shares from 138.58m on Friday, Advancing issues outnumbered declining by 790 to 736.

Among blue chips, IBM advanced \$\frac{3}{2}\text{.}

to \$122%, Alcoa gained \$1% to \$35%. American Express gained \$1% to \$58%, Du Pont rose 5% to \$81%, General Electric fell \$% to \$75% and Sears Roebuck eased \$1/4 to \$42%.

Oil companies continued to report poor performance. Occidental Petroleum slipped \$1/4 to \$29. Its quarterly profits plunged to 12 cents a share from \$3.37 after special items a year earlier. Among other oil companies, Exxon was up \$\% to \$66\% after a modest increase in profits, Mobil was off \$% to \$36%, Texaco down \$% to \$35% and Chevron rose \$% to

Texas Air gained \$4 to \$35% after it reported third quarter profits of \$3.34 a share against \$2.85. When it completes acquisitions of Eastern and People Express it will carry 25 per cent of domes-

tic airline traffic.

Among companies reporting higher third-quarter profits, Textron was up \$1 to \$60%, Union Carbide gained \$% to \$22, Allegheny Corporation rose \$% to \$102%. Asarco was unchanged at \$14% and A.H. Rohhins rose \$% to \$8%.

Texas Instruments fell \$2% to \$111%. Although it reported a return to profits in the third quarter, the performance was below market expectations.

Elsewhere in the semiconductor industry, Schlumberger eased \$¼ to \$31%. It said last week that Fujitsu of Japan plans to take an 80 per cent stake in its Fairchild subsidiary.

On the takeover front, the high interest in Goodyear over recent weeks intensified following its announcement late on Friday that it was studying restructuring proposals aimed at heading off any takeover attempt. Sir James Goldsmith, the Franco-British financier who has been seen as a potential Good-year raider, was unavailable for com-

ment. Gelco, the transportation leasing

1760

KEY MARKET MONITORS

Standard & Poors 500

group, eased \$\% to \$24\%. Coniston Partners said it had lined up finance for its previously announced \$26 a share bid. Allied Stores eased \$\% to \$66. It is fighting in court to prevent Campeau finalising stock transactions which would give it control.

Trading was light in credit markets as prices rose steadily during the day. The 7.25 per cent benchmark Treasury bond due 2016 gained % of a point to 942% yielding 7.70 per cent.

Three-month Treasury bills fell 9 basis points to 5.18 per cent, six-month bills were down 7 basis points and year bills eased 2 basis points to 5.45 per cent.

Investors have a number of issues on their minds. Today the Treasury will auction 57bn of seven-year notes post-poned from last month because of the protracted negotiations to raise the Gov-ernment's debt ceiling. A recent pick-up in foreign demand, particularly Japanese, for US government securities augurs well.

The auction's outcome may indicate what sort of reception the Treasury's quarterly refunding will face. Details will be released tomorrow but a near record volume is expected.

The dollar's tone remains a key influence on the auctions and the market as a whole. There is considerable scepticism on Wall Street that it can maintain the sudden strength it found late last week. Economic fundamentals do not yet justify sustained firmness.

The main economic figure for release this week is the September merchandise trade deficit. Economists believe it might increase slightly from August's \$13.3bn but within the overall figure there might be signs that the US trade performance is improving as August's decline from July indicated.

TOKYO

Uncertainty leads to cautious tone

UNCERTAINTY in the Tokyo market spread and share prices dipped for the third day running in extremely thin trading, writes Shigeo Nishiwaki of Jiji Press.

Large-capital steels, shipbuildings and utilities strengthened despite continued caution by securities house dealers since trading for delivery this month ends on

Tuesday.

The Nikkel average finished 6 points lower at 16,157.80. Volume fell sharply from 615m shares to only 184m, the second lowest this year. Gains outpaced losses by 397 to 339, with 173 issues un-

Last Thursday, blue chips soared across a broad front on buying by investment trusts, which was prompted by the sudden weakening of the yen. But the enthusiasm waned the next day, with investors apparently thinking further purchases were risky in view of the deteriorating performance of many blue-chip stocks, particularly light electricals.

Domestic demand-related issues

steels and shipbuildings gained ground for the first time in many sessions, but institutional investors showed little buying interest. Trading in Nippon Kokan, top of the active list, came to only 10.45m shares, less than one-twenthith of its peak last summer. The steelmaker rose Y4 to Y192. Tokyo Gas, second most active with

10.15m shares, advanced Y23 to Y820, and Ishikawajima-Harima Heavy Industries came third with 10.06m shares, gained Y17 to Y387. These three issues were the only stocks with a turnover of more than 10m shares.

Mitsubishi Heavy Industries and Kawasaki Steel added Y19 to Y425 and Y9 to Y172, respectively, while Tokyo Electric Power, which opened lower, closed Y200 higher at Y6.550. Selling mounted for blue chips in the

absence of investment trusts. Fujitsu lost Y20 to Y1,100, Hitachi Y10 to Y980. and Matsushita Electric Industrial Y30 lower to Y1,800. Canon also shed Y20 to Y1.120.

An official at a leading brokerage house said a full recovery of the market hinged on a large-capital stocks. Institutional investors increased their holdings of such issues by a massive Y1,800bn in June-August and have since suffered an evaluation loss of around 30 per cent or Y540bn. Unless the large-capitals pick up, the damage to institutional investors could remain, hampering a market recovery.

The beliwether 6.2 per cent government bond maturing in July 1995 remained under selling pressure, with the yield rising from 5.190 per cent to 5.275 per cent. Most dealers wanted to wait for the Finance Ministry's proposal, ex-pected on Tuesday, of the issue terms for the November long-term government bonds before entering the market in

SINGAPORE

STRONG buying by local and foreign in-stitutions took Singapore blue chips up and the Straits Times industrial index climbed 25.46 to 927.20, its highest since mìd 1984.

News that Central Provident Fund (CPF) members are to be allowed to double the amount of their CPF invested in shares and gold spurred activity. Some Malaysian shares, also found favour after Friday's budget, which was milder than expected.

Government forecasts of GDP growing between 1 per cent and 2 per cent this year added to the confidence.

EUROPE

upheaval in London

ALL EYES in Europe were fixed on the financial services upheaval in London and trading volume on the Continent re-

1,972.3. Most institutions remained on the eidelines

Chemicals held firm but many other blue chips surrendered early strength. BASF added DM 2 to DM 276.50 on the hopes of higher earnings supported by a healthier dollar rate while Bayer, which revealed that it had bought a Berlin chemical metallurgy group, eased 30 pfg

2,160 on the first day of its one for four

rights issue for its profit participation

A lack of support in the bond market drove prices down by almost 1¼ points on fears that a stronger dollar rate would hamper the prospects of a cut in

The Bundesbank market balancing operation amounted to purchases of DM 68.4m of paper compared with Friday's purchase of DM 29.2m. The average yield on public authority paper jumped 8 basis points to 6.07 per cent.

The Government announcement of plans to raise income tax allowances for share dividends next year had no effect on the market according to dealers.

which hit a 1986 peak of FFr 1,770.

Distracted by

Frankfurt derived some benefit from the stronger dollar, which aids German exporters, although buying enthusiasm was diluted by the close of trading. The midsession calculation of the Commerzbank index showed a 3.9 point rise to

to DM 291.00. Banks were vulnerable to the continued problems associated with the Neue Heimat building group. Deutsche Bank was DM 6.050 down at DM 769.50 as Dresdner shed DM 4.50 to DM 381.50. Insurer Allianz dropped DM 20 to DM

Daimler shed DM 9 to DM 1,221 des-

pite its solid nine-month turnover fig-

West German interest rates.

Paris slipped in late trading partly influenced by the rise in the call money rate by % point to 7% per cent.

Holding early gains were Air Liquide, up FFr 27 at FFr 776 and Agence Havas

Brussels managed a higher close in thin cautious trading ahead of today's

parliamentary vote on the Government's language dispute.

The Belgian Stock Exchange index rose 16.43 at 3,856.64. Société Générale de Belgique, the

most active, rose BFr 40 to BFr 3,010 while Solvay, benefiting from recent strong earnings forecasts, was relatively active and gained BFr 60 to BFr 7,970. Milan was mixed in active trading

with Montedison, up L105 at L2,935, and Mediobanca, L200 higher at L67,500 among the few advances. Fiat staged an early rally but closed L10 down at L15,730 after its huge bid

Zurich was narrowly mixed with blue chips generally lower. Insurer Winter-thur edged SFr 25 up to SFr 6,850 while UBS in banks picked up SFr 5 to SFr

Stockholm staged a lacklustre performance as institutional investors kept to the sidelines partly in response to the continuing public sector strike.

Amsterdam closed mixed with many investors transfixed by the events in London. Fokker was one of the best fea-tures with a F1 6.50 advance to F1 64.50 on reports that it had sold up to 100 air-

craft to a new leasing company involv-ing Guinness Peat Aviation. Madrid was sharply lower with constructions leading the decline. Telefonica, in an active communications sector, dropped 4.50 points to 173 per cent of

nominal value as it revealed that its plans to join the CGE telecommunications joint venture may be scrapped.

CANADA

for Alfa-Romeo.

THIN mixed trading continued in Toronto. Oils, industrials and metals and mines turned lower against slight gains

by golds and utilities.

Active industrials were mixed, with International Thomson easing C5% to trade at C\$12% and Canadian Pacific adding C\$% to C\$15%.

Among situation stocks, Campeau held unchanged at C\$28. Montreal also drifted lower.

AUSTRALIA

A FALL in the price of gold depressed sentiment in the Sydney market and triggered profit taking. The All Ordinaries index closed down 14.3 at 1,348.6.

Turnover amounted to 103m shares worth A\$184.19m, with heavy trading in both BHP and Hanimex, Hanimex rose 23 cents to close at a year's high of A\$1.15. Earlier, Western Continental told the Perth stock exchange it had built up a 19.7 per cent holding in HaniLONDON

Modest gain on first day of Big Bang

huried

Faith f

ionou

Action 18

THE FIRST day of the Big Bang in London, as deregulation has come to be known, saw equities move forward in moderate trading after initial confusion

The FT ordinary index climbed 5.0 to 1256.6, while the more broadly-based FT-SE 100 index gained 9.1 at 1586.2.

Worries over domestic interest rates, as well as over the likely problems for the Thatcher Government of the resignation of the deputy chairman of the Conservative Party, were soothed by a steady performance by sterling.

Gilts showed early losses ranging to % of a point, but the longer dates closed with gains of % or so in a strong turn-

Chief price changes, Page 43; Details, Page 39; Share information service, Pages 37, 38

HONG KONG

INSTITUTIONAL demand from the US dominated the Hong Kong market, with Japanese support also evident. The Hang Seng index jumped 57.59 to 2,343.66, a record high.

Optimism was encouraged by the lat-est trade data, which showed sharp rises in Hong Kong's domestic exports and a large trade surplus in September.

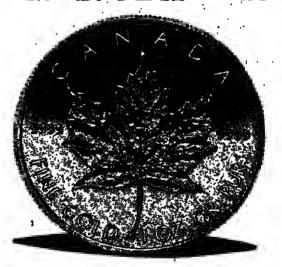
HK Bank was the most active, rising 20 cents to HK\$8.30, a 1986 peak. Properties gained as Cheung Kong hit a 12-month high of HK\$34, with a HK\$1 rise and HK Land rose 5 cents to HK\$6.30.

SOUTH AFRICA

PRESSURE from a combination of factors took gold shares in Johannesburg sharply lower. Foreign selling, a strong recovery in the financial rand and a weak bullion price conspired to turn the recent lack of direction into a clear downward trend. Other minings and financials, as well as industrials, followed

Vaal Reefs lost R15 to close to R365, but most prices were off their day's lows. Gold Fields eased R2 to R54.

The Solid Gold Investment



Gold is the one commodity that has long been valued as the basis for sound financial planning. Esteemed for its enduring value, gold is a long-term insurance against monetary, political and social uncertainty. It is held by international bodies, governments, banks, corporations and individuals. Investors are generally advised to include at least 10 percent of gold in a portfolio. Since gold prices most often

move independently of paper investments, gold can anchor your more speculative ventures. Around the world gold bullion coins are the most popular investment vehicle for private investors. And Canada's Gold Maple Leaf is the best-selling coin in the world.



PUREST GOLD When you invest in gold bullion,

choose the most portable and widely-accepted—Canada's Gold Maple Leaf. To suit your individual investment needs, the Gold Maple Leaf is available in 1 oz., 1/2 oz., 1/4 oz., and 1/10 oz.



The Gold Maple Leaf contains a

minimum of one troy ounce of 9999 fine gold, no other coin is purer. It bas no base metals, which add weight but little



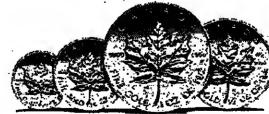
dian government guarantees its

CANADIAN GOLD The Gold Maple Leaf is produced from gold mined and refined entirely in Canada. The Canagold content and gives it legal tender status.



GLOBAL GOLD

The Gold Maple Leaf is recognized around the world. It can be quickly and easily traded with no costly assay at resale. You will find the Gold Maple Leaf. wherever gold is traded-at banks, brokerage houses and com dealers.



Canada's Gold Maple Leaf

THE PRECIOUS ELEMENT IN YOUR PORTFOLIO.

Canadă

FAZ-Aktien Commerzbank HONG KONG Hang Seng ITALY 765.86 769.70 NETHERLANDS ANP-CBS Gen ANP-CBS Ind 274.60 272.9 NORWAY Oslo SE SINGAPORE 927.20 Straits Times 901.74 **SOUTH AFRICA** Prev 1,835.0 1,374.0 JSE Golds JSE Industrial SPAIN Madrid SE 188.61 191.68 SWEDER J&P SWITZERLAND Swiss Bank Ind WORLD Oct 24 Previous 329.90 335.0 MS Capital Int'I COMMODITIES (London) Oct 27 Silver (spot fixing) 400.35p Copper (cash) £932.00 Coffee (Nov) 22,386.50 Oil (Brent blend \$13.55

STOCK MARKET INDICES CURRENCIES US DOLLAR STERLING 1,841.82 1,832.26 1,356.52 827.63 825.0 649.58 **DJ** Industrials Previous Oct 27 Provious Oct 27 **DJ Transport** 1.4070 159.16 202.27 Per Yes FFr SFr 2.0466 '2.0320 2.88" '72.87 160.70 161.35 226.00 228.00 8.6875 6.6425 9.41 9.385 S&P Composite 238.77 238.26 187.52 9.385 2.365 LONDON 1,6790 FT Ord 1,251.6 1,048.8 2.3135 2.2955 3.255 3.245 1,420 1,402.125 1,991.00 1,961.00 2.3135 FT-SE 100 1,586.2 1,577.1 1,347.8 42.25 59.75 42.45 FT-A 500 857.72 853.68 736.21 C\$ 1.3880 1.9525 1.96 269.6 10.55 262.9 FT-A Long gitt 10.51 10.25 INTER TOKYO 16,157.80 16,284.0 12,855.0 117/16 4% 4% 87/14 11%:s Tokyo SE 1,345.94 1,351.82 1,016.34 AUSTRALIA All Ord. 1.349.4 1.362.3 681.8 697.9 528.5 Metals & Mins (offered rate) 5% 5% 5% 5.875 3-month US\$ AUSTRIA 230.23 230.89 Credit Aktier 51%° BELGIUN 5.42 3,856.64 3,840.21 2,768.12 Belglan SE US BONDS CANADA Toronto Metals & Minis 2,111.90 2,112.69 1,746.0 3,009.7 3,007.1 2,632.8 Prev Yield 1005 Portfolio 527.20 1,527.2 1993 1996 7.21 7.40 7¼ 7% 100%z 99% 7.21 99** 997/50 7.425 9429/2 7.71 941/2 7.72 2016 198.72 239.25 198.09 FRANÇE CAC Gen 146,2 Ind. Tendance Day's change Return Index WEST GERMANY 1-30 +0.39 156.86 7.09 -0.03 1,972.30 1,968.4 1,705.2 +0.27 6.75 --0.03 6.32 6.89 8.22 140.91 +0.15-- 0.02 152.99 +0.31 -0.042,343.66 2,286.07 1,671.73 181.03 -0.04 +0.82 Source: Merrill Lynch 398,14 October 27° Price Yield 3% July 1990 203.0 SCBT South Central 10% Jan 1993 107.25 9.343 369.82 368.67 381.38 Phibro-Sal 8 April 1996 8¾ March 1996 102,125 8,414 Year Ago 1,094.9 950.6 9% March 2016 105 9,370 General Motors S% April 2018 89% 9,133 Citicorp 93.02 9% March 2016 97 9,682 Source: Salomon Brothers 2,527.54 2,529.06 1,439.00 FINANCIAL FUTURES CHICAGO Latest High US Treasury Bonds (CST) 228.5 8% 32nds of 100% 96-05 96-11 95-19 95-29 US Tressury Bills (MIM) 977.1 p 94.82 94.83 94.74 94.78 £931,25 \$1m points of 100% £2,347.50 n/a n/a 93.78 \$13.95 Three-mouth Eurodolla GOLD (per ounce) Oct 27 Prev \$409.75 \$411.00 94.01 94.01 93.96 94.01 London 20-year Hotlonal Gilt \$409.25 Zürich \$411.75 £50,000 32nds of 100% \$409.15 Paris (fixing) \$410.67 110-07 110-07 109-04 109-24 \$413.00 \$410.40 Luxembourg \$409.70 * Latest available figures New York (Dec) \$409.30